

City of Amsterdam, NY

Northern Neighborhoods Brownfield Opportunity Area

Market Analysis

Prepared by C&S Companies

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Attachment A: Marketplace Profile Reports – Retail Trade Areas

Executive Summary

The purpose of this analysis is to evaluate market and socioeconomic conditions as part of the City of Amsterdam Northern Neighborhoods Brownfield Opportunity Area (BOA) Step 2 BOA Nomination Study process, in order to identify possible market-supported opportunities for the reuse and/or redevelopment of properties within the BOA study area. This analysis will help ensure that recommendations for future uses and actions to occur within the study area reflect economic conditions and are grounded in the relevant market context.

The analysis draws upon a number of data sources, including:

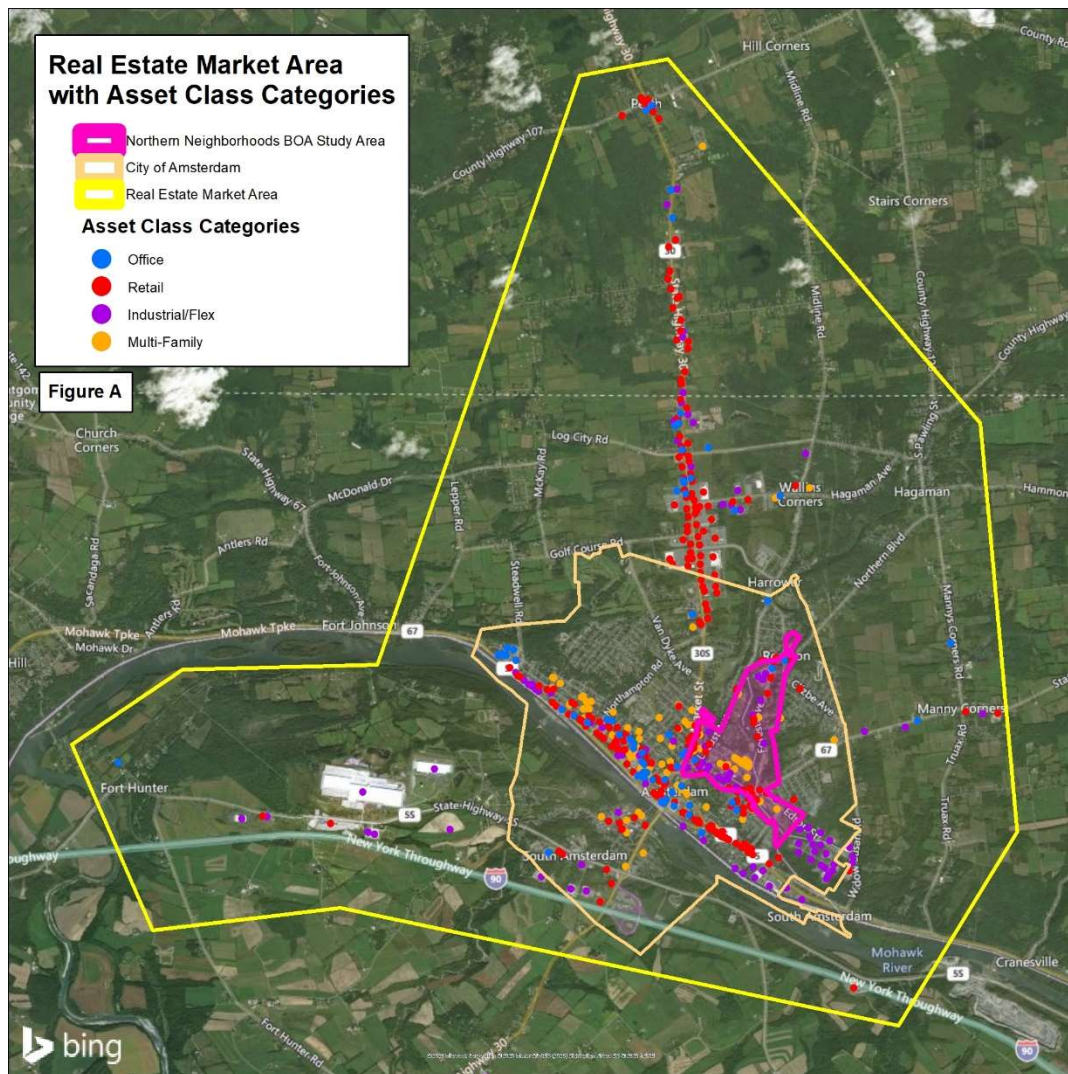
- Previous studies and reports with relevance to the study area, prepared by local and regional-level agencies.
- In-person interviews with individuals representing local government, regional and state-level economic development organizations, real estate and other private industry.
- Publicly available and subscription-based private third-party demographic and real estate data.
- Business journals, industry associations, commercial brokerage reports, other publications and agencies.

The Northern Neighborhoods BOA study area generally covers properties north of Church Street with a western boundary along Locust Avenue and south of East Main Street between the Mohawk River and Forbes Street, with a western boundary at Market Street and Locust Avenue and an eastern boundary to the east of Forest Avenue and Sloane Avenue. The study area also encompasses the neighborhood located between Edson Street and Edward Street just west of the Edson Street Industrial Park.

For purposes of this market analysis, a broader real estate market area was defined to encompass the City of Amsterdam and relevant locations surrounding the city (Figure A).

The market analysis focuses on four real estate development categories in the Northern Neighborhoods BOA study area, and the location of existing properties from these categories is shown in Figure A:

- Office
- Industrial and Flex
- Retail
- Multi-family Residential



Outcomes of the market analysis are summarized for each real estate development category as follows.

Office Development

The Amsterdam office market is not considered a point of strength, and has experienced very little growth over the course of the current economic cycle running through early 2020.

With an aging inventory and apparent low vacancy rates in the market area, there may be limited potential for small to mid-scale (5,000-20,000 square feet) updated or modern office space in the Amsterdam market. Possible occupants could include medical or other professional practices, startups, co-working office spaces, and new market entrants.

The Northern Neighborhoods building stock could offer opportunities for investment in the rehabilitation of existing industrial (former manufacturing) or residential structures for office use. Opportunities for adaptive reuse as office space are likely limited to buildings with minimal structural, environmental or other challenges, as well as unique or exceptional features that would warrant investment. The Sanford Clock Tower and Clizbe Street properties are two excellent examples of adaptive-reuse properties with office space located in the Northern Neighborhoods BOA study area.

New office development in the Northern Neighborhoods area may require clearing of existing structures and possible lot consolidation. Properties located along Forest Avenue and in the Locust Avenue/Lyon Street areas offer appropriately sized parcels for individual office placement or potentially as part of a small business or industrial park setting, however potential for office development may be secondary to other development formats such as industrial/flex.

Overall, the Amsterdam office market is very limited and is not anticipated to grow significantly in the foreseeable future. Competitive sites are abundant within and outside of the City of Amsterdam, and sites located in established business parks or office districts are likely better positioned for office development or leasing than Northern Neighborhoods sites. That said, office uses should be considered among the range of possible uses for Northern Neighborhoods sites of an acre or more, although potential growth appears limited in the near term and office development is not recommended as a focal point of redevelopment strategies.

Industrial and Flex Development

Industrial development has driven the history of the Amsterdam market and factors heavily into its real estate inventory, including several large-scale historic uses located in the Northern Neighborhoods BOA study area. The broader Amsterdam market area has experienced significant new industrial development in recent years.

Large-scale development of warehousing & distribution space remains active particularly in the Florida Business Park and extension near the Thruway interchange area west and south of the City of Amsterdam. This development interest is driven primarily by the market area's favorable location with access to highways and major northeastern markets.

Due to access and other limitations, the Northern Neighborhoods BOA study area is not conducive to the development of large-scale distribution operations that have proliferated elsewhere in the region such as at the Florida Business Park. However, smaller warehousing & distribution operations in the <50,000 square-foot class may be suited to locate on 1+ acre, development-ready Northern Neighborhoods properties. Manufacturing (durable goods, food processing, advanced manufacturing generally) is also a potentially supportable use.

While old, underutilized former manufacturing structures in the Northern Neighborhoods provide an abundance of existing industrial floor space, the features and condition of these former manufacturing structures vary widely and reuse potential must be evaluated on a case-by-case basis. Early to mid-19th Century manufacturing facilities lack many features sought by modern industrial (warehousing & distribution, manufacturing) operators, and large-scale adaptive reuse by industry is improbable. That said, Sticker Mule's reuse of the former Noteworthy facility exemplifies the value that can be achieved through adaptive reuse when the "right fit" exists and demonstrates that reuse concepts should not be discounted in the study area. The adaptive reuse of industrial structures is more likely to appeal to a limited pool of users such as smaller-scale operations occupying space under a multi-tenant leasing arrangement.

Undeveloped industrial land provides design flexibility and is preferred for new construction. Stakeholders suggest that demand exists for industrial parcels in the 6-8 acre class, preferably located in a park setting. The Amsterdam IDA-owned Mohasco properties, located adjacent to Sticker Mule's operation, total more than 10 acres and sufficient acreage may exist to provide a cohesive park setting

with multiple development sites. Properties along Forest Avenue appear suitable for individual small to mid-scale manufacturing, contractor, or warehousing & distribution operations.

While recognizing that limited opportunities for industrial or flex development may exist in the Northern Neighborhoods area, expectations for significant near-term growth should be tempered and efforts should focus on planning and preparing a setting conducive to industrial growth. Adaptive reuse of existing structures may appeal to a limited pool of industrial users including smaller-scale operations in a multi-tenant setting. New industrial development would likely require coordination and consistent effort by economic development and local government organizations in order to provide development-ready sites and induce industrial growth in the Amsterdam market.

Retail Development

Over the previous twenty years or more, retail development in the Amsterdam market area has been concentrated in shopping center formats along high-volume roadways beyond the City of Amsterdam boundary. The most prominent retail cluster is located along the NYS Route 30 corridor, extending north from the City of Amsterdam boundary. Development in this area includes community-scale shopping centers with major anchor tenants, smaller neighborhood-scale and strip shopping centers, and standalone retailers.

Within the Northern Neighborhoods BOA study area, retail development is somewhat limited with most retail located along the eastern side of Market Street/Route 30, at and near the Five Corners intersection on Church Street, and spread along Forest Avenue. The vacant 31,000 square-foot Reid Hill Plaza is a former shopping center located at the Five Corners intersection.

While retail in the Northern Neighborhoods area includes food service, convenience, and a health & personal care store (pharmacy) among others, the study area and surrounding neighborhoods notably lack a supermarket offering fresh foods, and generally possess a limited variety of retail establishments to meet the everyday needs of neighborhood residents.

The retail market analysis considered 5- and 10-minute drive-time trade areas originating from the Five Corners intersection in the Northern Neighborhoods BOA study area, and included a retail gap analysis to help identify specific retail categories that may hold potential to introduce new retail services to the study area.

Outcomes of the analysis illustrate a market dynamic in which grocery, general merchandise and other key retail services are not widely available to Northern Neighborhoods and other city residents within or near the neighborhoods in which they live. While these retail services are abundant in the broader trade area, residents must travel to gain access to many everyday goods and services.

In the broad regional market, the typical site acreage required for convenience-oriented retail including gas and convenience stores, specialty retailers, restaurants, etc. in the 2,000 square-foot range is approximately one acre (+-). National-brand small-scale general merchandise or other standalone stores usually require slightly larger sites. Strip-style shopping centers generally range between 12,000-25,000 square feet with parcels between 1.5-2.5 acres.

Market Street likely provides the most favorable retail location in the Northern Neighborhoods study area due to its potential to serve high traffic volumes on this road located at the study area's western boundary. Elsewhere in the Northern Neighborhoods study area, market conditions may be appropriate

for discount-oriented retailers scaled to serve the residents of surrounding neighborhoods. This could include grocery, general merchandise, convenience, or small strip-style retail centers, depending on an individual developer or operator's criteria. The addition of such retail would help address the needs of neighborhood residents, particularly households with low income levels or lacking access to personal transportation.

Multi-Family Residential Development

In the Amsterdam market, multi-family residential properties include four-or-more-unit residential conversions, low-rise and mid-rise multi-story apartment buildings. With a few exceptions, most multi-family housing is located within the City of Amsterdam and concentrated in the Downtown area and surrounding neighborhoods. Much of the existing housing stock in the Amsterdam market is aging, with a significant share of properties in deteriorating condition.

A common theme arising during stakeholder interviews was the need for updated housing in the Northern Neighborhoods and elsewhere in the City of Amsterdam, including a variety of multi-family housing formats. Senior, affordable, and market-rate housing were all identified as potential opportunities in the Amsterdam market. Stakeholders also noted an interest by residents in mixed-use development with walkable access to amenities often associated with that environment (parks, food & drink, etc.).

Two multi-family apartment projects have been proposed recently in the Amsterdam market. A 60-unit, three-story housing complex will be developed at 251 East Main Street in the City of Amsterdam. The second residential project is a 120-unit mixed-income waterfront development on the south side of the Mohawk River, however the status of this project is uncertain.

The market analysis examined a number of housing statistics and demographic variables to assess housing demand in the Northern Neighborhoods and broader market area. Generally speaking, the number of housing units and vacancy rates appear sufficient to support the market area population given limited rates of population and employment growth.

However, housing demand in this market appears to be driven primarily by a need for improved housing quality and specialized needs (i.e. senior or affordable) rather than an overall shortage of housing supply. Affordable and senior housing needs are present in the community, as well as market-rate housing in mixed-use or other formats. Within the Northern Neighborhoods BOA study area, the Market Street, Locust and Forest Ave. corridors and Five Corners vicinity likely present the best settings for multi-family residential development, although potential sites are not limited to these areas.

Summary

The Northern Neighborhoods BOA market analysis examined office, industrial/flex, retail, and multi-family residential real estate development formats in order to identify possible market-supported opportunities for the reuse and/or redevelopment of properties within the BOA study area.

Overall rates of growth and development demand in the Amsterdam are low to moderate, and the region holds an abundance of competitive development sites. However, opportunities may exist for small to mid-scale development within the BOA study area – this would include multi-family residential, industrial, retail, and to a lesser degree office development.

Some individual properties in the Northern Neighborhoods BOA study area may hold adaptive reuse potential depending on a variety of financial, environmental and other factors as well as operator needs. Generally speaking, undeveloped or development-ready sites offer greater flexibility and are most conducive to new construction. The consolidation of multiple adjacent properties to create large sites for single or multiple uses may be beneficial in enhancing the area's development potential.

In a limited market, Northern Neighborhoods development sites will benefit from the environmental investigations, cohesive planning, and enhanced visibility provided by the BOA program. Sites and opportunities should be considered on a case-by-case basis, and sustained collaboration among local governments and economic development agencies is key to advancing redevelopment pursuits in the Northern Neighborhoods BOA study area.

1. Introduction

This economic and market analysis has been conducted for the City of Amsterdam Northern Neighborhoods Brownfield Opportunity Area (BOA) as part of the Step 2 BOA Nomination Study process sponsored by the New York State Department of State (NYSDOS).

The purpose of this analysis is to evaluate market and socioeconomic conditions in order to identify possible market-supported opportunities for the reuse and/or redevelopment of properties within the Northern Neighborhoods BOA study area. The analysis will help ensure that recommendations for future uses and actions to occur within the study area reflect economic conditions and are grounded in the relevant market context.

The Northern Neighborhoods BOA study area covers properties north of Church Street with a western boundary along Locust Avenue and south of East Main Street between the Mohawk River and Forbes Street, with a western boundary at Market Street and Locust Avenue and an eastern boundary to the east of Forest Avenue and Sloane Avenue. The study area also encompasses the neighborhood located between Edson Street and Edward Street just west of the Edson Street Industrial Park.



The analysis has drawn upon a number of data sources, including:

- Previous studies and reports with relevance to the study area, prepared by local and regional-level agencies¹.
- In-person interviews with individuals representing local government, regional and state-level economic development organizations, real estate and other private industry.
- Publicly available and subscription-based private third-party demographic and real estate data.
- Business journals, industry associations, commercial brokerage reports, other publications and agencies.

A series of stakeholder interviews was conducted in November-December 2019 to gain insights and perspectives on market conditions and potential opportunities in the Northern Neighborhoods BOA study area, City of Amsterdam and broader region. Key takeaways from these conversations are provided in Section 2.

The market analysis was conducted to evaluate market conditions in the Northern Neighborhoods BOA study area for four real estate development categories:

- Office
- Industrial and Flex
- Retail
- Multi-family Residential

Section 3 provides a description and summary findings for the analysis of each real estate development category.

Section 4 highlights two relevant case studies illustrating successful redevelopment projects that have occurred recently in locations sharing a similar market context to the Northern Neighborhoods BOA and broader Amsterdam market area.

¹ These resources include but are not limited to City of Amsterdam Northern/Eastern Neighborhoods Step 1 Pre-Nomination Report, City of Amsterdam Downtown Revitalization Initiative Strategic Investment Plan, and Mohawk Valley REDC Strategic Plan/Progress Reports.

2. Summary of Stakeholder Interviews

A series of stakeholder interviews was conducted in November-December 2019 to gain knowledge and perspective regarding market conditions and potential market-based redevelopment opportunities in the Northern Neighborhoods BOA study area.

These conversations included meetings with representatives from the following entities:

- City of Amsterdam
- Montgomery County Business Development Center
- Fulton-Montgomery Chamber of Commerce
- Empire State Development
- Mohawk Valley Regional Economic Development Council
- Berkshire Hathaway Commercial Division
- Sticker Mule Inc.

Interviews covered a wide range of topics including the stakeholders' initiatives and involvement in the Amsterdam community, regional market conditions, opportunities and challenges to revitalization in the northern portion of the city, and other information relevant to the Northern Neighborhoods BOA Nomination Study.

A number of key takeaways emerged from the stakeholder interview process:

- Strong partnerships among local, county and state-level agencies, as well as the economic development community, have contributed to the region's industry-related success stories.
- As a recipient of Downtown Revitalization Initiative (DRI) funding to accompany other recent and ongoing efforts, Amsterdam is currently a focal point for public programming and has a unique opportunity to make progress in addressing some key challenges.
- Warehousing & distribution, and to a lesser degree manufacturing (including food processing), have experienced recent growth in the region. Tech-oriented and other knowledge based industry growth has been more limited.
- Some existing business parks in the eastern Mohawk Valley and parts of the Capital Region are nearing full buildout. This may lead to opportunities to attract development to new locations; accessibility and a business/industrial park setting are priorities.
- Shovel-ready status (or site readiness more generally) is critical for development sites, especially in smaller markets like Amsterdam.
- Existing structures are important to the city's character. Reuse is generally preferred if possible, although it is recognized that structural, environmental, financial or other challenges exist and properties should be reviewed on a case-by-case basis.
- The City of Amsterdam lacks some economic development anchors present in many peer communities – such as presence of a university or community college, state office building, hospital, business incubator, etc.
- Skilled workforce availability is a limitation in the Amsterdam/Montgomery County market.
- Some distribution and manufacturing operators struggle to maintain adequate levels of staffing.
- Child care obligations and a lack of access to transportation options are common barriers to participation in the workforce.

- The Northern Neighborhoods BOA study area and Amsterdam generally lack a variety of housing options; stakeholders agreed that there is unmet demand for multifamily housing at market rate and other price points, potentially as part of mixed-use development.
- Senior housing is viewed as an unmet need in the market.
- Retail in the Northern Neighborhoods study area is limited.
- Stakeholders identified a food hub and/or food processing operations as holding potential to leverage the region's agricultural strengths.
- Five Corners and Forest Avenue sites are viewed as having redevelopment potential.
- The reuse of former manufacturing facilities along and north of Church Street present redevelopment opportunities, but their reuse is complicated by their large scale and environmental conditions.
- Natural features including Chuctanunda Creek and trail system are an asset in the Northern Neighborhoods study area.

Information gained through the stakeholder interview process provides key local insights and perspectives that are essential to the market analysis process. This information was considered along with market and socioeconomic data to conduct a market analysis for the Northern Neighborhoods BOA study area.

3. Market Analysis

The market analysis² was conducted to evaluate relevant market and socioeconomic conditions in the Northern Neighborhoods BOA study area and broader Amsterdam market, in order to identify possible market-supported opportunities for the reuse and/or redevelopment of properties within the study area.

As described in Section 3.1, the analysis focuses on geographies representing the Northern Neighborhoods BOA study area and a broader Amsterdam market area.

Market profiles are provided for the four real estate development categories considered for the market analysis:

- Office
- Industrial and Flex
- Retail
- Multi-family Residential

Relevant information obtained through interviews with key stakeholders and publicly available and subscription-based third-party data providers was used to evaluate each asset class. This section describes the existing market conditions observed for each development category, results of analyses along with notable observations and takeaways, and a conclusion statement summarizing key findings relative to each category.

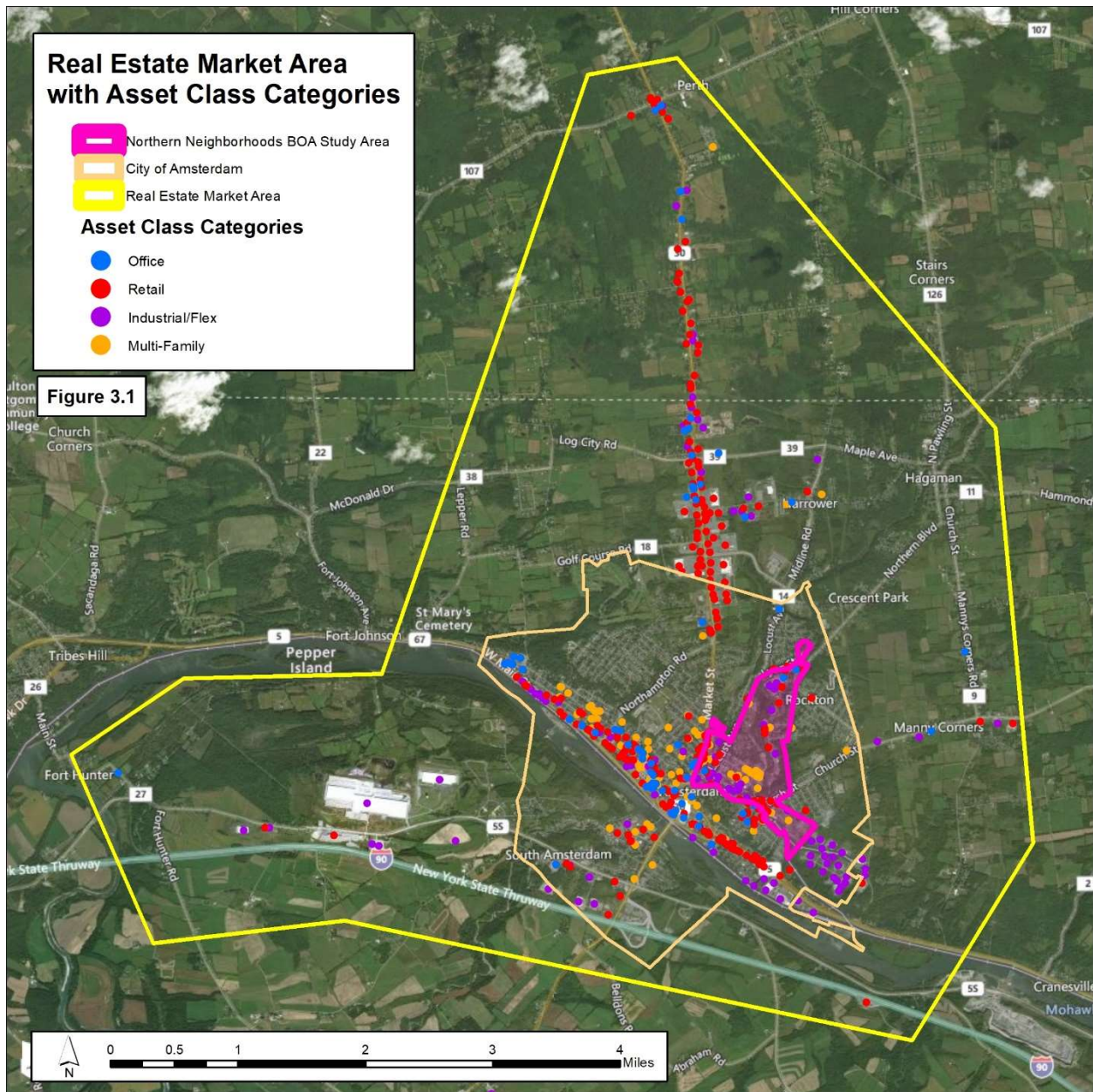
3.1 Market Overview

The Amsterdam real estate market area used for this analysis is pictured below in Figure 3.1. This market area generally aligns with boundaries established by third-party data providers³, and encompasses the City of Amsterdam including the Northern Neighborhoods BOA study area, as well as surrounding pockets of non-residential development. Based on observed development patterns and activity, this market area provides an appropriate context for an assessment of market conditions affecting the Northern Neighborhoods BOA.

Figure 3.1 shows existing property locations for the four development categories considered by the market analysis: office, industrial/flex, retail, and multi-family residential. Each of these categories is examined in detail in Section 3.2.

² Market analysis based on information from CoStar Group and C&S Companies.

³ CoStar, Inc. Amsterdam, NY Submarket 2019.



North of the Mohawk River, non-residential development is concentrated along primary road corridors within and north of the City of Amsterdam. A variety of uses are interspersed along Main Street and parallel east-west corridors in the City of Amsterdam, with clusters of development radiating outward to the north from the city's core. Much of the Route 30 corridor north of the city is lined by retail and other uses including commercial and industrial, with concentrated retail development north of the city boundary.

Large-scale warehousing and distribution uses are located along Route 5S south of the Mohawk River in the Florida Business Park and vicinity of the NYS Thruway interchange.

The Northern Neighborhoods BOA study area is located in the city's northeastern quadrant. Pockets of non-residential development are interspersed among residential neighborhoods and undeveloped

natural areas along Chuctanunda Creek. Industrial properties are concentrated along Church Street and the Forest Avenue corridor. Retail properties are located at the Five Corners intersection and sporadically along connective roadways elsewhere in the study area. A number of multi-family residential properties are located in the Northern Neighborhoods BOA study area.

3.2 Real Estate Market Profiles

The market analysis evaluated four real estate development categories:

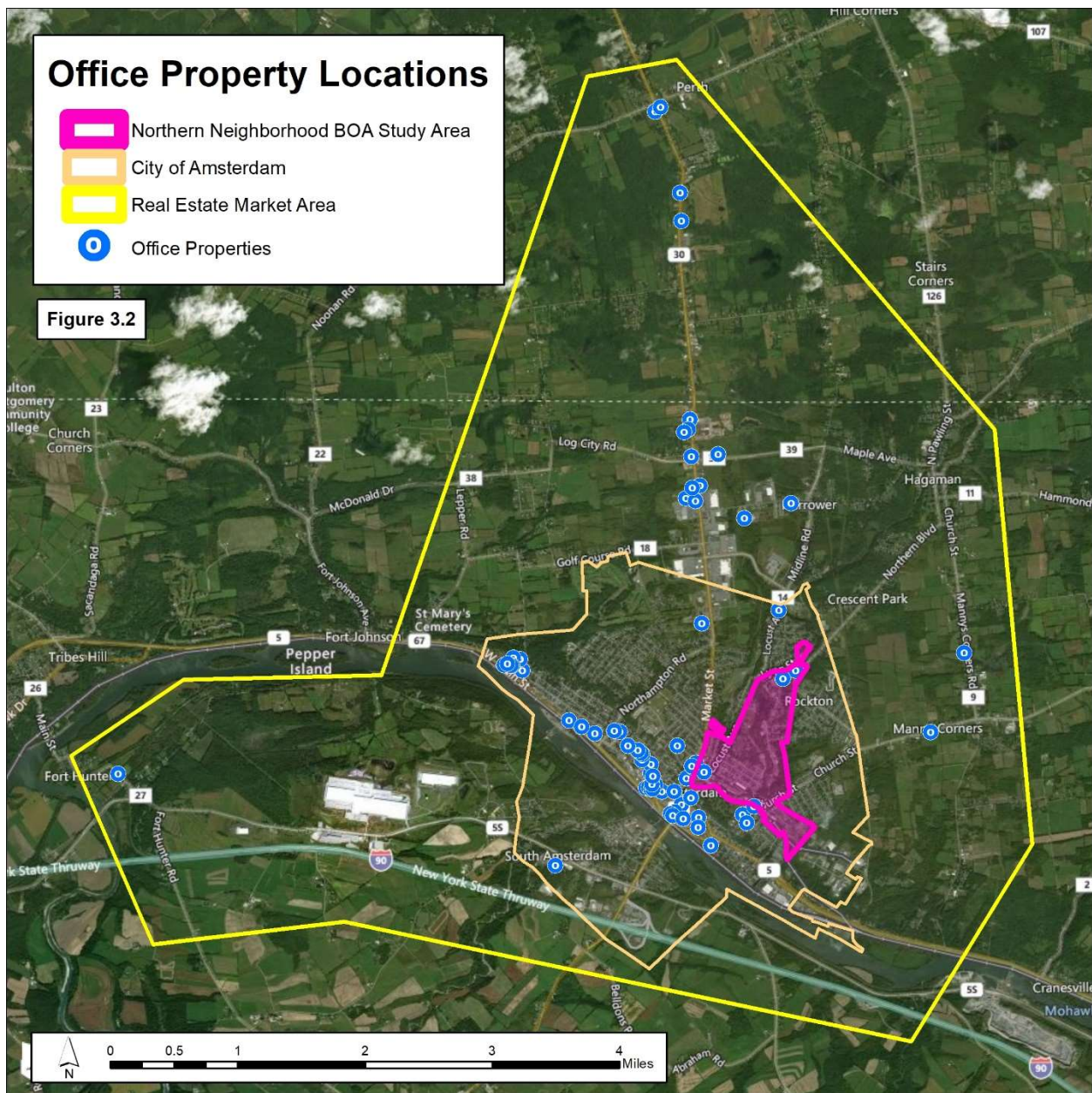
- Office
- Industrial and Flex
- Retail
- Multi-family Residential

For each category, this section provides a market profile describing existing market conditions, results of analyses, notable observations and takeaways, and a conclusion statement summarizing key findings.

3.2.1 Office Development

The primary use of an office building is to house employees of companies that perform functions such as business administration or support, educational, medical or other professional services.

In the Amsterdam market, office properties cover a range of formats including multi-story downtown mixed-use style buildings, single-story suburban office buildings, and repurposed former residential structures. As shown in Figure 3.2, office properties are concentrated within the city, and some additional office properties are located along primary corridors outside the city boundary.



Existing Inventory and Conditions

| Office Development Market Inventory – Existing Conditions | | Table 3.1 |
|--|-----------------------------|-----------------------|
| | Northern Neighborhoods BOA* | Amsterdam Market Area |
| # Properties | 3 | 71 |
| Total Square Footage | 160,000 | 1.3 million |
| Average Square Footage | 50,000 sq ft | 18,000 sq ft |
| Median Building Age | 100 years | 59 years |
| Typical Parcel Size | 0.5-1.5 acres | 0.2-1.0 acres |
| *Note: Based on small sample size of three properties | | |

Source: CoStar Inc.; C&S Companies

As reported in third-party real estate data, there are 71 office buildings in the Amsterdam market totaling 1.3 million square feet of floor space. The Northern Neighborhoods BOA includes only three office properties, the largest of which is the seven-story, 140,000 square-foot Sanford Clock Tower property located on Prospect Street which houses a variety of office, storage and retail/service tenants. The other two office properties are located in the northernmost portion of the study area and have a combined 20,000 square feet of floor space, including an 18,000 square-foot adaptive-reuse property with a variety of professional offices located on Clizbe Street. Noting the small sample size of only three office properties, the average Northern Neighborhoods office building has about 50,000 square feet of floor space with a typical parcel size of 0.5-1.5 acres.

The average office building in the Amsterdam market overall is approximately 18,000 square feet, and parcel sizes are relatively small with most being less than one acre. The median reported building age of nearly sixty years reflects the market's aging building stock.

| Office Development | | Table 3.2 |
|-------------------------------------|--------------|-----------|
| Key Metrics – Amsterdam Market Area | | |
| Average annual deliveries | 0 sq ft | |
| Average annual absorption | -2,000 sq ft | |
| Current Vacancy | 1.8% | |
| Vacancy Trend | ▼ Decreasing | |

Source: CoStar Inc.; C&S Companies

According to third-party real estate data, there have been no new deliveries of office space in the Amsterdam market over the recording period from 2008 through the present. Average annual absorption (defined as the combined average annual change in new deliveries and leased space) is slightly negative over this timeframe – on average, the Amsterdam market has lost 2,000 square feet of leased office space each year. However, reported vacancy rates have declined over the past few years and currently stand at a very low level of less than 2 percent. While noting that vacancy rates may be affected by reporting irregularities particularly in small markets such as Amsterdam, declining office vacancy may suggest that market demand for office space is currently pushing against supply limits as underutilized or functionally obsolete office space is removed from the market.

Observations & Takeaways

- The Amsterdam office market is not strong and has experienced virtually no growth over the course of the current economic cycle.
- Regional growth in knowledge-driven industries that tend to occupy office space has been concentrated in the Capital Region and some limited Mohawk Valley locations, but has not expanded into the Amsterdam market at a significant scale. Based on stakeholder input, it seems unlikely that Amsterdam will experience an uptick in development demand from these industry sectors in the near future.
- Most recent office development in the Capital Region has occurred in business park settings rather than urban areas.
- With an aging inventory and apparent low vacancy rates, there may be a limited market for small to mid-scale (5,000-20,000 square feet) updated or modern office space in the Amsterdam market.
 - Possible tenants include medical or other professional practices, startups, co-working office spaces, and new market entrants.
 - Sizable office-based businesses entering the Amsterdam market are likely to build new space.
 - Business park setting is conducive to new office development.
- The Sanford Clock Tower and Clizbe Street properties are two excellent examples of adaptive-reuse office properties located in the Northern Neighborhoods BOA study area.
- The current Northern Neighborhoods building stock may offer some opportunities for investment in the rehabilitation of existing industrial or residential structures for office use.
 - Potential tenants would include small to mid-scale operators as noted above.
 - Opportunities for adaptive reuse as office space are likely limited to buildings with unique or exceptional features that would warrant investment.
 - Building scale, structural, environmental, financial, and other challenges may exist for adaptive reuse.
- Properties located along Forest Avenue and in the Locust Avenue/Lyon Street areas offer appropriately sized parcels for individual office placement or potentially as part of a small business or industrial park setting.
 - Environmental conditions/site readiness need to be addressed.
 - Based on market conditions, site context and history, redevelopment potential for office use is likely secondary to industrial/flex development.
- Competitive sites are abundant within and outside of the City of Amsterdam, and sites located in established business parks or office districts are likely better positioned for office development or leasing than Northern Neighborhoods sites. That said, properties on the scale of one acre or larger in the Northern Neighborhoods BOA study area offer potential for new office development and may be viable for consideration by office developers.

Conclusion – Office Development

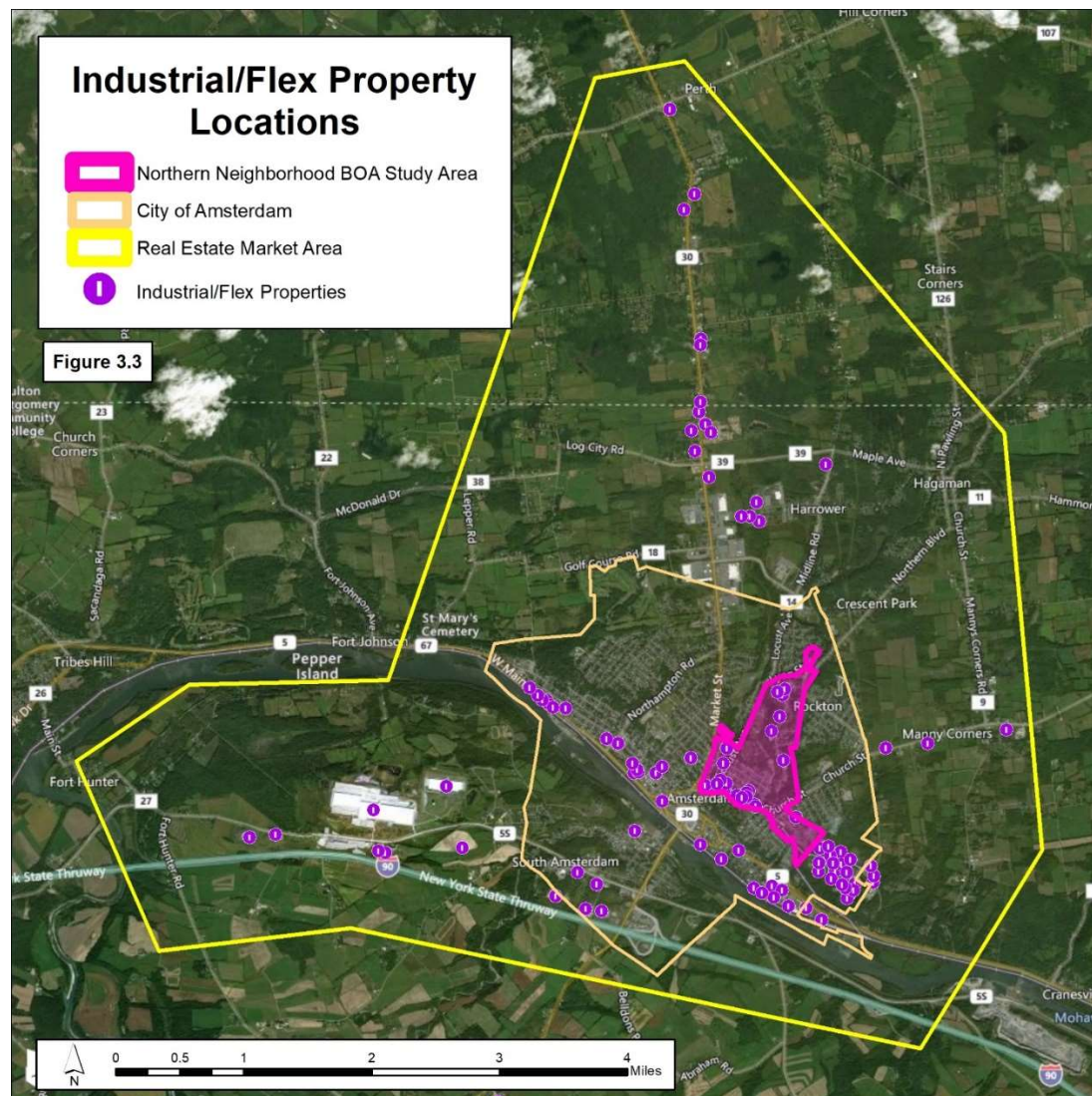
The Amsterdam office market is very limited and is not anticipated to grow significantly in the foreseeable future. Opportunities may present for small to mid-scale office uses on a case-by-case basis. If environmental, structural, and financial conditions permit, select former industrial facilities in the

Northern Neighborhoods BOA study may hold adaptive reuse potential for tenants including office users. Undeveloped or cleared, development-ready properties of one acre or more in the study area are likely suitable for new office development. Office uses should be considered among the range of possible uses for Northern Neighborhoods sites, although potential growth appears limited in the near term and office development is not recommended as a focal point in redevelopment strategies.

3.2.2 Industrial/Flex Development

Industrial properties include a variety of use subcategories, such as manufacturing and warehousing & distribution. For purposes of this analysis, flex development – which typically includes a combination of industrial and office space – has been included as part of the industrial inventory for the Amsterdam market area.

Figure 3.3 shows the location of industrial/flex properties in the Amsterdam market area. Industrial properties include large multi-story former manufacturing plants in the urban core, small to mid-sized manufacturing or distribution facilities in the city and peripheral areas, and large-scale corporate warehousing & distribution facilities in the Florida Business Park and near the Thruway interchange.



Existing Inventory and Conditions

| Industrial/Flex Development Market Inventory – Existing Conditions | | Table 3.3 |
|---|-----------------------------------|------------------------------|
| | Northern Neighborhoods BOA | Amsterdam Market Area |
| # Properties | 21 | 102 |
| Total Square Footage | 1.8 million | 6.7 million |
| Average Square Footage | 90,000 sq ft | 70,000 sq ft |
| Median Building Age | 70 years | 59 years |
| Typical Parcel Size | 2-6 acres | 2-10 acres |

Source: CoStar Inc.; C&S Companies

Industrial development has driven the history of the Amsterdam market, and factors heavily into its real estate inventory. There are 102 industrial properties in the Amsterdam market (80 industrial/22 flex), totaling 6.4 million square feet of floor space. While a number of properties are smaller than one acre – and a few are larger than 100 acres – most fall between two and 10 acres in size.

Major warehousing & distribution and other industrial operations including the Target and Dollar General distribution facilities, Beech-Nut headquarters, and Hill & Markes are located in the Florida Business Park and extension, south of the Mohawk River and just west of the City of Amsterdam.

Just east of the Northern Neighborhoods BOA study area, industrial/flex development in the Edson Street Industrial Park includes roughly a dozen light industrial operations with construction primarily dating to the 1980-1990s.

According to real estate data and real property records, 21 industrial/flex properties (18 industrial, three flex) are located in the Northern Neighborhoods BOA study area, including many of the area's prominent former manufacturing sites. All but four industrial/flex buildings are larger than 20,000 square feet and six are larger than 100,000 square feet. Most industrial buildings in the study area are relatively old – the median building age is 70 years. Parcels are in the two- to six-acre range and, in some cases, properties are densely developed with multiple stories and high floor area ratios (FAR).

The most concentrated area of industrial development is located in the central-southern portion of the Northern Neighborhoods BOA study area, surrounding east-west roadways including Church Street, Prospect Street, Willow Street, and Park Street. This industrial core features a number of large, multi-story historic manufacturing plants that have been vacated by their original operators, as well as some single-story warehousing & distribution facilities. This district is unique due to its density and urban setting, and dates back to previous eras in which industrial development was integrated as part of a city's fabric more than the modern industrial model which favors peripheral non-urban locations for industrial development.

A handful of industrial properties are located along Forest Avenue in the northern portion of the Northern Neighborhoods BOA study area. These properties include the Sticker Mule (former Noteworthy) property, adjacent multi-story Mohasco building, and a now-vacant site that formerly held a second Mohasco structure.

Table 3.4 summarizes key industrial/flex market metrics for the Amsterdam market area.

| Industrial/Flex Development Key Market Metrics – Amsterdam Market Area | | Table 3.4 |
|---|---------------|-----------|
| Average annual deliveries | 120,000 sq ft | |
| Average annual absorption | 115,000 sq ft | |
| Current Vacancy | 1.9% | |
| Vacancy Trend | ▼ Decreasing | |

Source: CoStar Inc.; C&S Companies

Deliveries over the 11-year timeframe of data availability include the 750,000 square-foot Dollar General facility, 580,000 square-foot Beech-Nut headquarters and the 140,000 square-foot Hill and Markes facility. These facilities are all located south of the Mohawk River in the Florida Business Park just west of Amsterdam near the NYS Thruway. Taken on average, this equates to about 120,000 square feet of industrial space delivered annually over this timeframe – which is approximately the average square footage of an industrial property in the Amsterdam market area. It should be noted that the 1.5 million square-foot Target distribution center was built in the Florida Business Park in 2002, and is not reflected in average annual values because its delivery predates the available real estate data.

Records indicate that there are three industrial properties currently proposed or under construction in the Amsterdam market area:

- A proposed 1 million square-foot warehouse & distribution facility with approvals in place, being actively marketed to large-scale operators – located in the Florida Business Park area.
- Two smaller warehousing operations totaling 13,000 square feet, one in the Florida Business Park area and the other along NYS Route 30 north of the city.

The volume of industrial construction occurring in the Amsterdam market in recent years reflects the significant uptick in industrial development activity that has been experienced nationally. The market's favorable proximity to highway infrastructure and large northeastern markets is a primary factor driving the development of industrial space in the Amsterdam market.

The reported industrial vacancy in the Amsterdam market area is currently 1.9%, a historically low rate. Anecdotally, while much of the industrial inventory is not technically vacant, some large-scale properties may be significantly underutilized.

Observations & Takeaways

- Industrial development remains active in the Amsterdam market with ongoing large-scale warehousing & distribution construction, driven primarily by its favorable location with access to highways and major northeastern markets.
- Large-scale warehousing & distribution is clustered south of the Mohawk River in the Florida Business Park near the Thruway interchange area. While some room exists for further expansion in this area, it is approaching full buildout as currently configured.
- According to economic development stakeholders, land south of I-90 is likely to be promoted for future industrial/warehousing & distribution development in the near future.

- Although recent industrial development is characterized by large-scale warehousing & distribution facilities, proposed projects also include smaller operations less than 10,000 square feet.
- The Capital Region holds a concentration of nanotechnology and other tech companies including in Albany, Saratoga and Schenectady Counties. An abundance of development sites are available in established industrial parks in the Capital Region, and significant warehousing & distribution growth has also occurred throughout this region.
- The Montgomery County/Mohawk Valley region possesses advantages for food processing operations associated with nearby agriculture, and this could present manufacturing opportunities.
- Workforce limitations present a challenge with regard to further expansion of warehousing & distribution industry in the market.
- Many of the market's old, urban multi-story manufacturing plants have been vacated by the original operators. While perspectives vary, there is broad recognition that these structures provide a link to the city's industrial heritage and their reuse would contribute positively to the community's continuity and character if possible.
 - The features and condition of these former manufacturing structures vary, and reuse potential must be evaluated on a case-by-case basis.
 - Structural, environmental, financial, and other challenges may exist for adaptive reuse.
 - Early to mid-19th Century manufacturing facilities lack many features (clearances, functional layout, accessibility, etc.) sought by modern industrial (warehousing & distribution, manufacturing) operators.
- Large multi-story former manufacturing facilities in the district directly north of Church Street stand at varying levels of vacancy and/or underutilization. Some are partially occupied by multiple tenants while others are potentially vacant, however the exact status of individual properties is unclear based on a review of real estate data and field observations.
- The Northern Neighborhoods area lacks the prime accessibility of sites south of the Mohawk River in the vicinity of the Thruway, and is not favorable for large-scale distribution operations.
- Former urban manufacturing plants in the study area lack appropriate transportation infrastructure and parking areas to support large warehousing & distribution and/or manufacturing operations as configured.
- Sticker Mule's reuse of the former Noteworthy building illustrates a successful example in which the company's needs were met by an existing, underutilized facility in the study area.
- Stakeholders suggest that demand exists for industrial parcels in the 6-8 acre class, preferably located in a park setting.
- Site preparation and readiness are critical to attract new industrial development to a given site.
- The Amsterdam IDA owns and manages the Edson Street Industrial Park just east of the study area. Roughly one dozen light industrial operations are located in the industrial park, including millwork and construction companies, food distribution, signage and other businesses. Individual sites within the business park range from about three to eight acres, and existing buildings range between approximately 10,000-70,000 square feet. Much of the development in the Edson Street Industrial Park occurred in the 1980s-1990s, and the most recent construction date is listed as 2003. Multiple sites are available for development, and potential future occupants would likely be similar to existing tenants in function and scale.

- The Amsterdam IDA-owned Mohasco properties, located adjacent to Sticker Mule’s operation, are being marketed as the “Future Mohasco Technology Campus” and may present opportunities for new industrial/flex development. The proposed campus totals more than 10 acres, including the cleared four-acre site at 350 Forest Avenue. Reuse potential of the Mohasco Building should be evaluated; sufficient acreage may exist to provide a cohesive park setting with multiple development sites.
- Properties along Forest Avenue properties appear suitable for small to mid-scale manufacturing or warehousing & distribution operations.
- Competitively speaking, properties in the Northern Neighborhoods BOA study area could hold potential to attract small to mid-scale manufacturing and distribution operations. Established and future industrial parks in the vicinity of Thruway Exit 27 are well-positioned to capture new warehousing & distribution development, however properties in the Northern Neighborhoods may be able to attract operators if the “right fit” exists. Existing IDA involvement and the presence of a successful Sticker Mule operation are advantageous.
- On a broader regional scale, the tech industry cluster in the Capital Region and abundance of property make locations to the east of Amsterdam better positioned to capture new entry or expansion of tech businesses. The Amsterdam market area offers cost-related advantages that could help attract industry if site readiness and amenities are in place.
- Undeveloped properties on the scale of two or more acres in the Northern Neighborhoods BOA study area offer potential for new industrial/flex development of 20,000-50,000 SF for a typical operator in the market. Properties of 10+ acres allow opportunities to create a cohesive park setting to accommodate multiple operators.

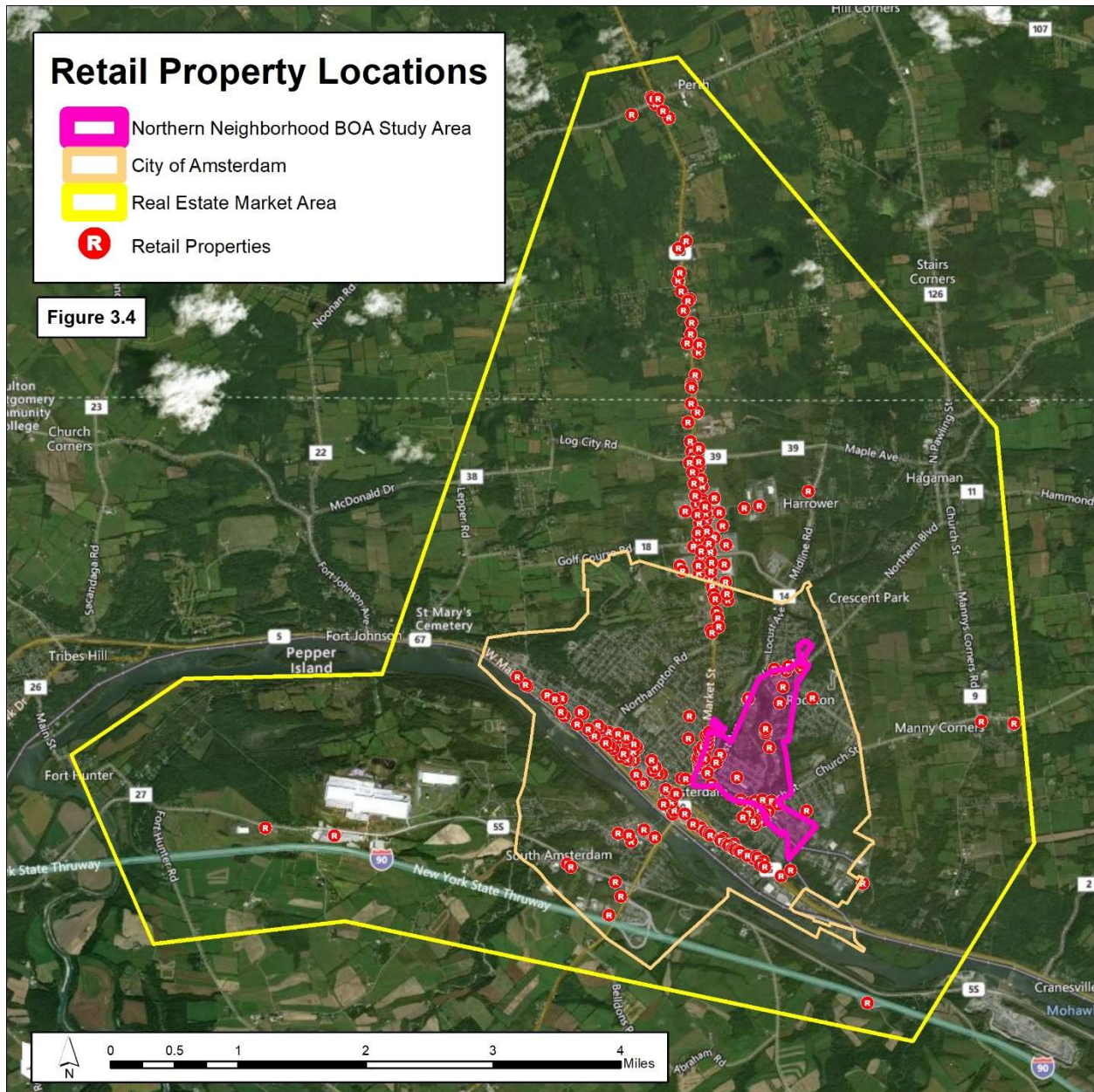
Conclusion – Industrial/Flex Development

The Northern Neighborhoods BOA study area includes industrial properties ranging from large-scale former manufacturing plants to IDA-affiliated development sites. Industrial/flex growth in the Amsterdam market has been mostly limited to large-scale warehousing & distribution facilities in recent years with little growth in manufacturing and/or tech industries. While recognizing that opportunities may exist, expectations for significant near-term growth should be tempered and efforts should focus on planning and preparing a setting conducive to industrial growth. Workforce availability presents a challenge. New industrial development would likely require consistent effort and actions by economic development and local government organizations in order to induce industrial growth in the Amsterdam market.

Undeveloped Northern Neighborhoods BOA study area properties are suitable for small to mid-scale manufacturing, and a cohesive business/industrial park setting of 10+ acres allowing new development for multiple operations is desirable. IDA involvement in the “Future Mohasco Technology Campus” is advantageous, and site readiness and promotion are critical to attract new development. Adaptive reuse of existing structures may appeal to a limited pool of industrial users including smaller-scale operations in a multi-tenant setting.

3.2.3 Retail Development

Retail properties are used to sell or distribute goods and services to the general public. Practically speaking, this development category includes shopping centers, standalone stores, personal service providers, fuel and automotive sales, and traditional storefront properties.



As shown in Figure 3.4, the Amsterdam market features three primary clusters of retail properties. The first is located in the City of Amsterdam, along and in close proximity to the Main Street corridor through the Downtown area and eastward - as well as northward along the Market Street/Route 30 corridor and in the vicinity of the Five Corners intersection on Church Street/Route 67. These urban retail properties generally consist of small-scale convenience-oriented retail, food & beverage establishments, and other service providers with many located in retail/residential structures. Some of these urban retail buildings are in deteriorating condition, and many appear vacant.

The second and more prominent retail cluster is located along the NYS Route 30 corridor, extending north from the City of Amsterdam boundary. Development in this area is characterized by modern, automobile-oriented retail formats including community-scale shopping centers with major anchor tenants, smaller neighborhood-scale and strip shopping centers, and standalone retailers. Supermarkets located along the NYS Route 30 corridor include Hannaford, Market 32, Aldi, and Save-A-Lot. Prominent national retailers include the Target and Walmart Supercenter general merchandise stores, Home Depot, Lowe's, Tractor Supply, Kohl's, and a number of other chain retail and dining establishments.

Existing Inventory and Conditions

| Retail Development | | Table 3.5 |
|---|-----------------------------------|------------------------------|
| Market Inventory – Existing Conditions | | |
| | Northern Neighborhoods BOA | Amsterdam Market Area |
| # Properties | 34 | 274 |
| Total Square Footage | 200,000 | 3.3 million |
| Average Square Footage | 6,000 sq ft | 12,000 sq ft |
| Median Building Age | 69 years | 59 years |
| Typical Parcel Size | 0.15-1.5 acres | 0.25-10 acres |

Source: CoStar Inc.; C&S Companies

There are 274 retail properties listed in the Amsterdam market, totaling 3.3 million square feet of floor space. These retail properties vary widely in size and age. While the majority are relatively old and located on parcels smaller than one acre, retail properties built from the 1990s onward tend to be much larger with an average parcel size in the five to 10 acre range.

Within the Northern Neighborhoods BOA study area, real estate data identify 34 retail properties totaling 200,000 square feet of floor space for an average of approximately 6,000 square feet per property. Parcel sizes are quite small, generally less than one acre. Northern Neighborhoods BOA retail properties are mostly located along the eastern side of Market Street/Route 30, at and near the Five Corners intersection on Church Street, and spread along Forest Avenue.

Retail properties in the Northern Neighborhoods BOA study area include a variety of formats. Several freestanding retailers are located on the eastern side of Market Street, including fast food establishments and a Rite-Aid pharmacy. The Five Corners intersection includes two gas station/convenience stores, a Dunkin Donuts location, and the vacant 31,000 square-foot Reid Hill Plaza. Forest Avenue retailers are primarily freestanding local establishments.

Including the Reid Hill Plaza property, retail vacancy within the Northern Neighborhoods BOA study area stands at approximately 21%, and four small retail properties are currently listed for sale.

The Northern Neighborhoods BOA study area, and particularly its inner neighborhood areas, generally possess a limited variety of retail establishments to provide everyday needs for neighborhood residents.

Table 3.6 summarizes key retail market metrics for the Amsterdam market area.

| Retail Development Key Market Metrics – Amsterdam Market Area | | Table 3.6 |
|--|----------------|-----------|
| Average annual deliveries | 30,000 sq ft | |
| Average annual absorption | 24,000 sq ft | |
| Current Vacancy | 3.9% | |
| Vacancy Trend | --- Stabilized | |

Source: CoStar Inc.; C&S Companies

Over the 2008-2019 timeframe for which data are available, multiple construction phases of the Amsterdam Commons shopping center along NYS Route 30, which includes Target and Kohl's among its anchors, represent the most significant retail development to occur in the Amsterdam market area. On average, approximately 30,000 square feet of retail space were delivered annually over this timeframe – this is slightly higher than the 24,000 square-foot average annual absorption, indicating that some retail properties in the market have been vacated over this period.

A 33,000 square-foot project located in the Town Square shopping center along NYS Route 30 is the only retail project currently identified as proposed or under construction.

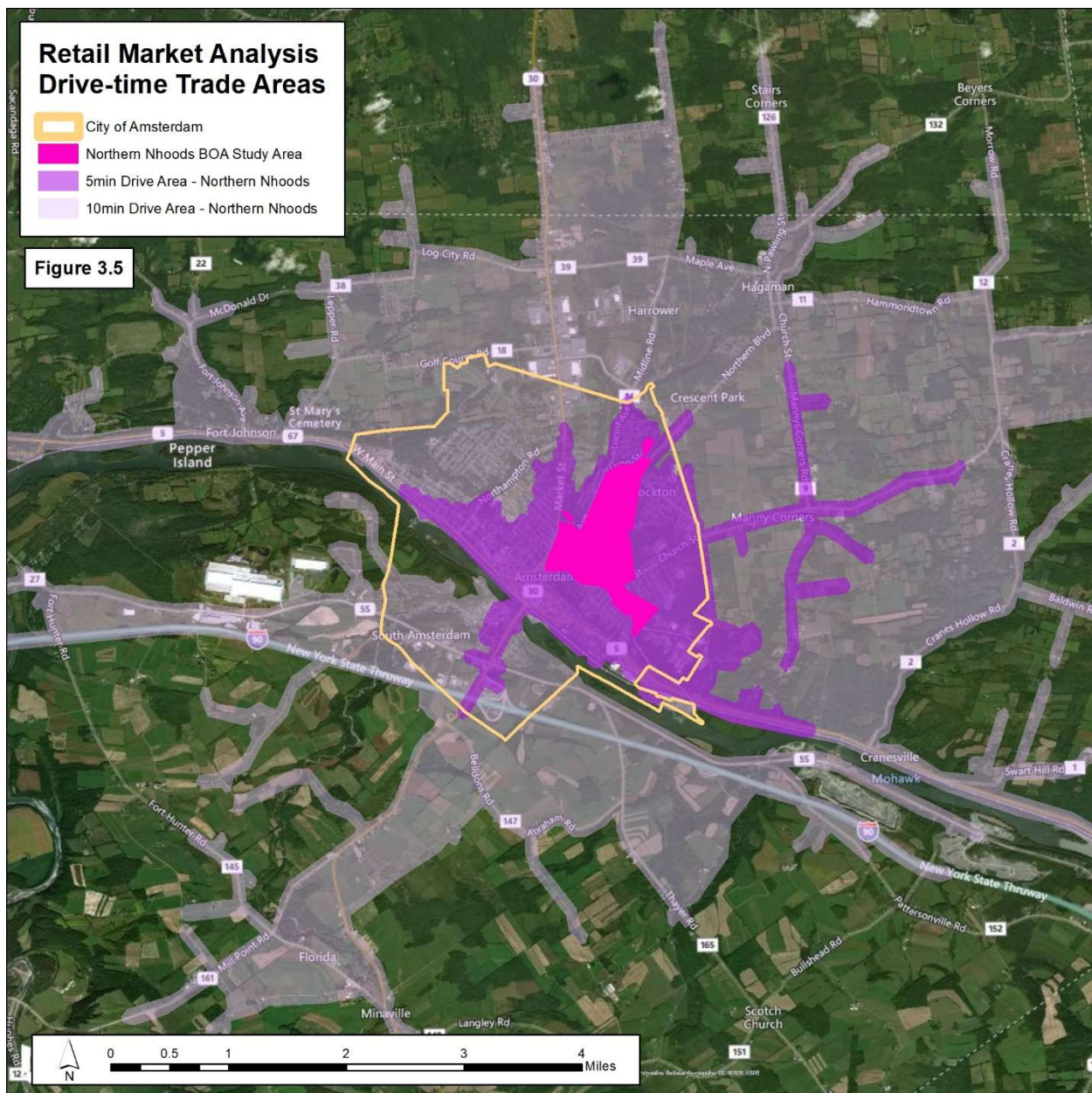
The reported retail vacancy rate is currently 3.9% in the Amsterdam market area, and has remained relatively stable over the past few years. This rate likely under-represents overall vacancy in the market area because the real estate data used for this analysis may exclude occupancy information for some small independent storefront properties, which are abundant in urban portions of the Amsterdam market area with observed vacancies.

In summary, the market's modern retail inventory including its shopping centers have low recorded vacancy rates while relatively high vacancy rates exist among the retail properties in City of Amsterdam neighborhoods.

Retail Market Analysis

A retail market analysis⁴ was conducted to characterize retail market demand and supply conditions for 5 and 10 minute drive-time trade areas originating from the Five Corners intersection in the Northern Neighborhoods BOA study area. Figure 3.5 shows these trade area locations. The 5-minute trade area covers much of the City of Amsterdam and extends beyond the city boundary along primary roads to the east, while the 10-minute trade area encompasses the entire city and outlying areas both north and south of the Mohawk River. Notably, the 10-minute trade area includes the major retail district along NYS Route 30 north of the city whereas the 5-minute trade area does not.

⁴ Retail Market Analysis based on information from CoStar Group, ESRI and C&S Companies.



Retail categories that would draw primarily from a 5-minute drive time trade area in densely populated areas like the City of Amsterdam may include food or grocery stores, convenience stores, gasoline/service stations, food & beverage establishments, and personal services. Shopping centers drawing from an approximately 5-minute drive-time area generally include strip-style shopping centers housing multiple small retail establishments with no featured large-scale anchor retailer.

Retail categories that would draw primarily from a 10-minute drive time trade area include those listed above, as well as potentially larger retail establishments such as supermarkets, health & personal care stores (pharmacy/drug stores), discount and some specialty retailers (home improvement, furnishings, sporting goods, etc.). Shopping centers drawing from this scale of trade area include neighborhood centers, which typically include a supermarket as an anchor tenant along with an assortment of other retail establishments.

Table 3.7 provides summary demographic and consumer spending information for the 5 and 10-minute drive time retail trade areas. See Attachment A for a detailed presentation of demographic and consumer spending information for these areas.

| Retail Development | | Table 3.7 |
|---|--|---|
| Marketplace Socioeconomic Characteristics – Existing Conditions | | |
| Demographic & Consumer Characteristics (2019) | 5 Minute Drive Time Retail Trade Area | 10 Minute Drive Time Retail Trade Area |
| Population | 14,328 | 22,694 |
| Households | 5,976 | 9,466 |
| Median Disposable Household Income* | \$32,800 | \$36,800 |
| Per Capita Income | \$22,900 | \$25,800 |
| Market Potential - Total Retail Trade** | \$145.5 million | \$254.5 million |
| Market Potential - Food & Drink*** | \$14.5 million | \$25.4 million |
| Market Potential – Combined Total | \$160.0 million | \$279.9 million |
| * Defined as after-tax median household income ** Total annual spending by trade area population on retail goods and services across all retail categories (excluding food and drink) *** Total annual spending by trade area population on food & drink service at restaurant, bar, and similar establishments | | |

Source: ESRI BAO; C&S Companies

Approximately 14,300 residents live within the Northern Neighborhoods 5-minute drive time retail trade area, and approximately 22,700 residents live within the 10 minute drive time trade area. Disposable household income and per capita income are significantly higher in the 10-minute trade area, reflecting a tendency for higher-income residents to live in suburban or rural settings in the Amsterdam market. Total market potential – or the annual retail spending capacity of residents – is \$160 million for the 5-minute trade area and \$280 million for the 10-minute trade area.

Retail Gap Analysis

A retail gap analysis was conducted for the Northern Neighborhoods 5 and 10 minute drive-time retail trade areas. This analysis compares the resident population’s spending potential and tendencies against existing retail sales, across various retail categories located within the trade areas.

A positive retail gap indicates that trade area residents spend more on retail goods than retail establishments supply within the trade area – meaning that (on net) the positive gap occurs as residents living within the trade area travel out of the trade area to shop. This is also known as a “retail deficit”.

Conversely, a negative retail gap indicates that retail establishments supply goods and services at a level that exceeds the spending potential of trade area residents – meaning that (on net) the negative gap occurs as retail establishments “import” customers who live outside the trade area but travel into the trade area to purchase goods and services. This is also known as a “retail surplus”.

A sizable, positive gap value for a given retail category *may* suggest that an opportunity exists to introduce additional retail supply within a trade area. Most retail developers independently employ analyses covering an array of market, competitive, and geographic considerations specific to their business model when selecting a site for retail development. The interpretation of this retail gap analysis should be limited to observations of demand and supply interactions, and positive retail gap values do not necessarily indicate that opportunity exists for new market entry.

Table 3.8 provides results of the Northern Neighborhoods BOA retail gap analysis. Positive retail gap values are shaded **green**, and negative retail gap values are shaded **red**. Retail Market Profile reports providing the complete set of retail gap analysis outcomes are included in Attachment A.

| Retail Development Gap Analysis – Summary Results | | Table 3.8 |
|---|--|---|
| Retail Category | 5 Minute Drive Time Retail Trade Area (\$ Millions) | 10 Minute Drive Time Retail Trade Area (\$ Millions) |
| Motor Vehicle & Parts Dealers | \$26.0 | \$14.9 |
| Furniture & Home Furnishings Stores | \$4.9 | \$7.6 |
| Electronics & Appliance Stores | \$3.7 | \$3.7 |
| Building Materials, Garden & Supply Stores | -\$10.1 | -\$38.8 |
| Grocery Stores | \$17.9 | -\$56.2 |
| Health & Personal Care Stores | \$2.7 | -\$2.9 |
| Gasoline Stations | -\$10.1 | -\$8.7 |
| Clothing & Accessories Stores | \$8.8 | \$9.0 |
| Sporting Goods, Hobby, Book, Music Stores | \$3.3 | -\$16.7 |
| General Merchandise Stores | \$13.2 | -\$89.7 |
| Miscellaneous Store Retailers | \$1.5 | -\$6.4 |
| Food Service & Drinking Places | \$6.5 | \$1.0 |
| Total Retail Gap – All Retail Trade and Food & Drink | \$74.4 | -\$174.4 |

Source: ESRI BAO; C&S Companies

The retail gap analysis highlights stark differences in gap conditions between the 5 and 10-minute drive-time trade areas.

5-Minute Drive-Time Retail Trade Area

The 5-minute drive-time retail trade area, which primarily includes locations within the City of Amsterdam, presents positive gap (retail deficit) values across a broad range of retail categories. The total retail gap including all retail trade and food & drink is more than \$74 million for this trade area. Motor vehicle, grocery, general merchandise, and clothing & accessory retailers hold the largest retail deficit values among retail categories in the trade area, and this is significant because most of these retail categories (i.e. grocery, general merchandise, clothing & accessories) play important roles in meeting the everyday consumer needs of residents. Food service & drinking places also holds a relatively large positive gap value. Building materials stores and gasoline stations hold sizable negative gap (retail surplus) values.

These results illustrate a dynamic in which residents of the Northern Neighborhoods BOA study area and other city neighborhoods travel beyond the immediate neighborhood area to purchase essential goods and services.

10-Minute Drive-Time Retail Trade Area

The NYS Route 30 retail cluster is a dominant market presence in the 10-minute drive-time retail trade area. This retail district includes multiple community-scale shopping centers and draws customers from a regional trade area, leading to sizable negative gap (retail surplus) values totaling more than -\$166 million for the 10-minute trade area. Grocery, general merchandise, and building materials stores present especially large surplus values. National and large regional-brand retailers including (but not limited to) Hannaford, Market 32, Walmart Supercenter, Target, Home Depot and Lowe's serve customers from the Amsterdam market area and beyond, posting heavy sales volumes that contribute to the observed retail surplus.

The motor vehicle, furniture & home furnishings, and clothing & accessories retail categories have reasonably large positive (retail deficit) values.

Residents of the Northern Neighborhoods BOA study area and other city neighborhoods, as well as from the broader Amsterdam market area and beyond, rely on the large-scale retail establishments north of the city to meet many of their consumer needs.

Retail Gap Analysis – Application to Northern Neighborhoods BOA

The retail gap analysis illustrates a market dynamic in which grocery, general merchandise and other key retail services are not widely available to Northern Neighborhoods and other city residents within or near the neighborhoods in which they live. While these retail services are available in the broader trade area, residents must travel to gain access to many everyday goods and services.

Some residents of the Northern Neighborhoods study area and other city neighborhoods face circumstances such as low incomes and poverty, and may lack access to personal transportation. The absence of important retail goods and services including grocery and general merchandise at the neighborhood level can present a challenge to many households.

Route 30 shopping centers are more readily accessible from some locations in the Northern Neighborhoods study area than others, and establishments in this Route 30 retail district provide a wide variety of goods and services.

Observations & Takeaways

- The retail gap analysis suggests that residents living within the 5-minute drive-time trade area travel beyond this trade area to purchase retail goods, but the extended 10-minute drive-time trade area exhibits a retail surplus meaning that residents of the broader region are drawn to shop in this area – particularly the retail district along NYS Route 30 north of the City of Amsterdam.
- Major national and regional brands have established the NYS Route 30 corridor as a center of gravity for retail, and this district dominates the market for most retail categories.

- Personal income and disposable spending levels in the Northern Neighborhoods BOA study area are higher than in some City of Amsterdam neighborhoods, but relatively low in comparison to the broader region.
- Chuctanunda Creek and adjacent natural areas, the Mohawk River and large swaths of industrial land in the vicinity of the Northern Neighborhoods BOA serve to moderate population density and limit retail market potential in the trade area.
- The traffic count on Church Street near the Five Corners intersection is 11,000 vehicle trips per day on average, and intersecting roads contribute additional traffic at this key intersection – the resulting traffic volume meets the typical industry threshold for convenience-oriented retail, as confirmed by the presence of fast food and gas station/convenience stores. Market Street traffic volumes exceed 15,000 vehicle trips per day on average in the southwestern portion of the Northern Neighborhoods BOA study area.
- The Church Street/NY Route 67 corridor carries traffic through the Five Corners intersection and Northern Neighborhoods BOA study area to travel destinations including Saratoga, Lake George and other locations to the north and east. This through traffic varies seasonally with volumes peaking in spring through early fall. Some additional retail sales potential (convenience, gas, grocery, etc.) may result from this destination-oriented traffic. Because of their seasonal and convenience-oriented nature, related benefits would likely complement rather than sustain retail located at Five Corners or other study area locations along this route.
- Retail vacancy is high in the Northern Neighborhoods BOA study area (24%), and four small retail properties are listed for sale. The Reid Hill Plaza property at the Five Corners intersection has been vacant for an extended time as prior establishments including a pharmacy/personal care store and other smaller retailers were not sustained. To date, no redevelopment has been proposed for this site. These observations suggest that locations in the central and western portion of the study area have limited potential beyond convenience and small-scale establishments serving a neighborhood population.
- Grocery, general merchandise and other key retail services are not widely available in the Northern Neighborhoods BOA and surrounding neighborhoods.
- In the Northern Neighborhoods BOA study area, properties fronting the eastern side of Market Street likely offer the best potential as retail sites due to their location on a high-volume corridor that carries consumers to and from retail destinations north of the city.
- Properties at the Five Corners intersection, including the Reid Hill Plaza site, provide an intriguing combination of location and site characteristics, however in the past this property did not support a strip-style shopping center in this competitive market. It is possible that a redeveloped small neighborhood-oriented shopping center featuring an updated mix of establishments (perhaps with chain grocery/general merchandise) could be successful in this location, but the site's history and competitive context would require careful consideration by potential developers.
- In the broad regional market, the typical site acreage required for convenience-oriented retail including gas and convenience stores, specialty retailers, restaurants, etc. in the 2,000 square-foot range is approximately one acre (+/-). Strip-style shopping centers generally range between 12,000-25,000 square feet with parcels between 1.5-2.5 acres, and neighborhood-scale shopping centers with a grocery supermarket anchor usually exceed 50,000 square feet and are located on properties of five to 10 or more acres depending on tenant mix.

- In the near term, new larger-scale and chain retail are more likely to develop north of the city.
- Depending on an individual developer's needs and criteria, some limited possibilities may exist to introduce new convenience-oriented retail, freestanding individual establishments, or a strip-style shopping center scaled to serve surrounding neighborhoods.

Conclusion – Retail Development

The Northern Neighborhoods BOA study area lacks immediate access to a variety of retail goods and services such as grocery stores, general merchandise, and other retail categories.

With prominent retail vacancies in the area (i.e. Reid Hill Plaza) and a competitive market context, the potential for new retail development in the Northern Neighborhoods area generally appears limited.

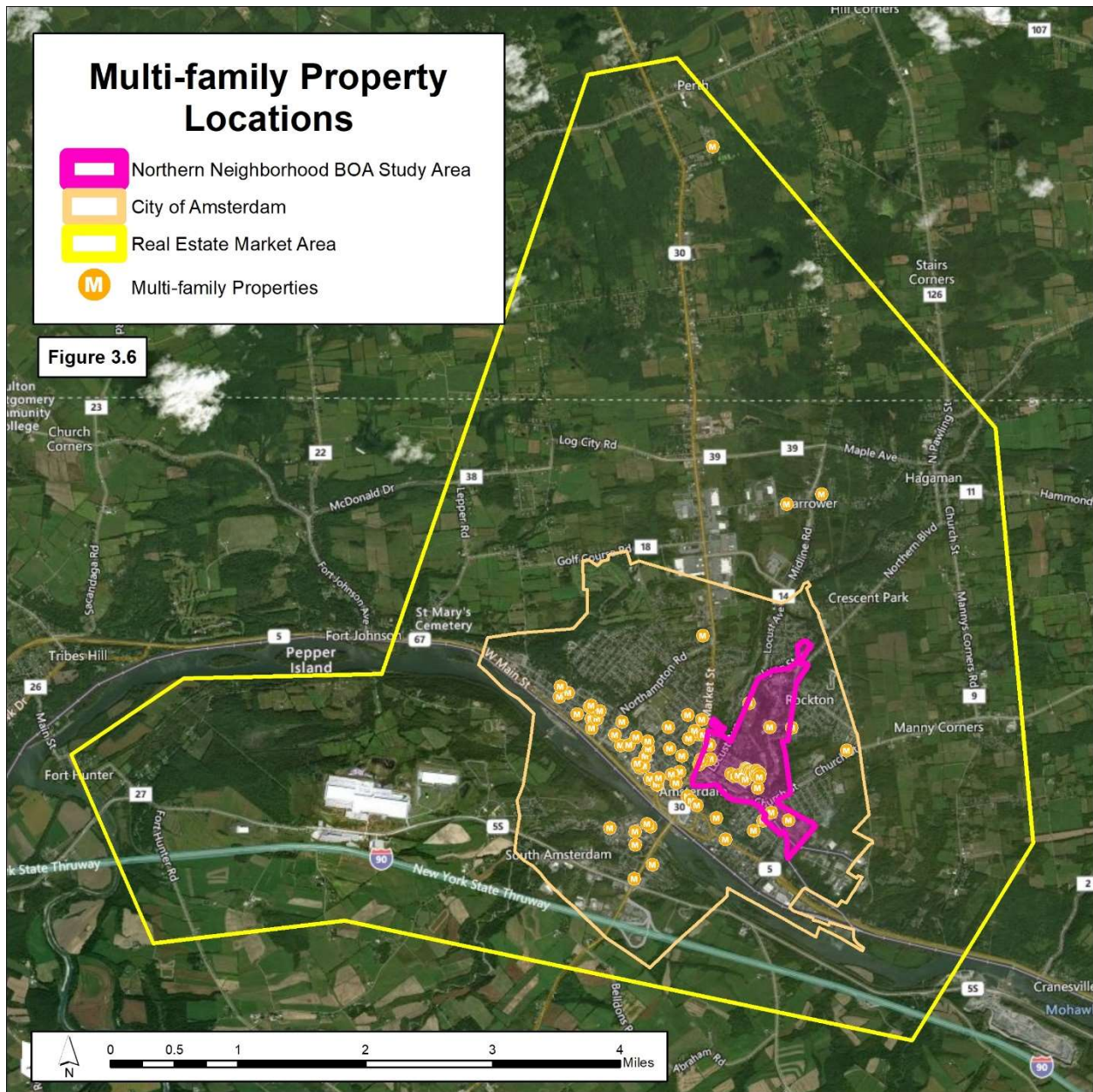
That said, it is possible that the Northern Neighborhoods area could attract some form of retail designed to serve primarily the residents of surrounding neighborhoods and passerby traffic. Market Street likely provides the most favorable retail location in the Northern Neighborhoods study area, and sites at the Five Corners intersection or along some parts of Forest Avenue could hold retail development potential. Possible retail categories include discount grocery or general merchandise, convenience-oriented retail, food and drink, and/or miscellaneous service establishments. Formats could include freestanding establishments or a strip-style shopping center, but retail development beyond this scale is less likely.

Evaluations of development potential would be based on a given site's alignment with a retail operator or developer's individual criteria.

3.2.4 Multi-Family Residential Development

Multi-family residential properties include structures with four or more housing units. Formats include rental (apartment) and condominium (ownership) units. Multi-family residential properties may or may not include common spaces and facilities such as a lobby, elevators, communal grounds, etc.

In the Amsterdam market, multi-family residential properties include four-or-more-unit residential conversions, low-rise and mid-rise multi-story apartment buildings. With a few exceptions, most multi-family housing is located within the City of Amsterdam and concentrated in the Downtown area and surrounding neighborhoods (Figure 3.6).



Existing Inventory and Conditions

Parcel data provided by Montgomery County indicate that 85 multi-family apartment properties are located in the Northern Neighborhoods BOA study area, whereas real estate industry data list 27 multi-family properties in the study area. This discrepancy is caused by an under-reporting of small apartment buildings (such as four-unit residential conversions) under private ownership by individuals or small companies, which in many cases are not listed by data services.

Because of limited data availability for the Northern Neighborhoods BOA study area, Table 3.10 provides multi-family residential property inventory values for the Amsterdam market area only, based on third-party real estate data. It is acknowledged that these values likely exclude a number of small multi-family

rental properties. However, real estate data include listings for all larger-scale apartment properties in the market and this information is relevant to the BOA market analysis.

| Multi-family Residential Development Market Inventory – Existing Conditions | | Table 3.10 |
|--|------------------------------|-------------------|
| | Amsterdam Market Area | |
| # Properties | 85 | |
| Total Units | 1,162 | |
| Average Units/Property | 14 | |
| Average Square Feet/Unit | 843 | |
| Average Number of Stories | 2 – 3 stories | |
| Median Building Age | 100 years | |

Source: CoStar Inc.; C&S Companies

There are 85 multi-family residential properties listed for the Amsterdam market area, totaling more than 1,100 units. Most of these multi-family residential properties are relatively small – only 11 properties have more than ten units, and three have more than 100 units. The overall average is approximately 14 units at 843 square feet per unit. Many multi-family properties in the market are large, old residential structures that have been converted to hold four or more units, leading to a median age of 100 years among listed properties. The quality of these units is not indicated in this data. Parcel sizes and acreage/unit values vary widely based on factors including number of units and number of stories for a given property.

Table 3.4 summarizes key market metrics related to deliveries and absorption for the Amsterdam market area.

| Multi-family Residential Key Market Metrics – Amsterdam Market Area | | Table 3.11 |
|--|--------------|-------------------|
| Average annual deliveries | 4.5 units | |
| Average annual absorption | 7 units | |
| Current Vacancy | 5.1% | |
| Vacancy Trend | ▼ Decreasing | |
| Effective Rent/Unit | \$744 | |
| Effective Rent/Square Foot | \$0.95 | |
| Rent Trend | ▲ Increasing | |

Source: CoStar Inc.; C&S Companies

Over the 11-year timeframe from 2009-2019, there was only one multi-family residential delivery of 50 units (in 2010). On average, 4.5 units were delivered annually over this timeframe and average annual absorption was 7 units per year. Vacancy in multi-family properties stands at approximately 5 percent and has steadily declined over the past several years. Average rents have increased slightly in recent years to \$744/unit and \$0.95/square foot.

Two multi-family apartment projects have been proposed recently in the Amsterdam market.

- Chalmers Hill Lofts is a 120-unit, 3.3 acre mixed-income development proposed along the southern Mohawk River waterfront in the City of Amsterdam. The project was unable to secure approval of a purchase option on the property from the Common Council, however the

development partnership purchased the property in late 2019 with the intent to continue exploring project feasibility and a path forward with key stakeholders. Further plans, timelines or intentions are unknown.

- A 60-unit, three-story housing complex has been proposed in the East End at 251 East Main Street. The project is being developed by DePaul Properties, and will include a mix of 1 and 2-bedroom affordable housing units including many designed for handicap accessibility. One-bedroom unit rents will be set at \$750/month and two-bedroom unit rents will be \$900/month.

Development of multi-family housing has been trending upward in recent years, on the national level as well as across Upstate New York. Given the extended period of time between the most recent apartment development in 2010 and two recent proposals, along with increasing rents and decreasing vacancies in multi-family properties, it appears that demand has been recognized in the Amsterdam market.

Multi-family Residential Market Analysis

Multi-family housing demand is primarily driven by growth in population and is positively associated with household incomes and employment opportunities within an area. Other factors may also contribute to the demand for multi-family housing development - these factors include the age, quality and volume of available housing stock, and replacement need, as well as population shifts such as an aging population that requires different housing design features and amenities over time.

A market analysis was conducted to characterize multifamily residential market demand and supply conditions as it pertains to the Northern Neighborhoods BOA study area. The analysis generally considers key trends and demographic and socioeconomic characteristics of the study area, the Market Area, and the Mohawk Valley economic development region, where pertinent, and other areas as relevant. Employment trends for Montgomery County were also examined.

Table 3.12 presents key demographic and income characteristics related to the resident population in the study and market areas and region.

| Multi-family Residential Key Demographics & Socio-economic Characteristics | | | | | | Table 3.12 |
|---|--------------------------------------|----------|-------------|----------|----------------------|------------|
| Characteristics | Northern Neighborhoods Study Area | | Market Area | | Mohawk Valley Region | |
| | 2019 | 2024 | 2019 | 2024 | 2019 | 2024 |
| Total population | 2,493 | 2,448 | 23,833 | 23,315 | 442,290 | 435,187 |
| % change for period | | -1.8% | | -2.2% | | -1.6% |
| Median Age | 35.2 | 36.4 | 40 | 41 | 43 | 44 |
| Total households | 1,056 | 1,031 | 9,893 | 9,629 | 176,453 | 173,052 |
| % change 2019-2024 | | -2.4% | | -2.7 | | -1.9% |
| Average HH size | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 |
| Median HH income | \$36,625 | \$39,375 | \$46,300 | \$51,225 | \$52,750 | \$56,700 |
| Avg annual % change | | 1.5% | | 2.0% | | 1.4% |
| Owner occupied units | 33.0% | 32.3% | 46.3% | 44.8% | 54% | 52.5% |
| % change 2019-2024 | | -1.6% | | -2.6% | | -2.1% |
| Renter occupied units | 44.8% | 43.3% | 37.0% | 35.8% | 27.2% | 26.6% |
| % change 2019-2024 | | -2.8% | | -2.6% | | -1.6% |
| Vacant units | 22.2% | 24.4% | 16.6% | 19.4% | 18.8% | 20.9% |
| % change 2019-2024 | | 10.5% | | 17.7% | | 11.9% |
| Unemployment rate | 4.4% | | 3.9% | | 3.2% | |

Source: ESRI BAO; C&S Companies

For all three areas examined, the overall population and number of households is expected to further decline during the coming five-year period. With minor differences, trends in the Northern Neighborhoods BOA study area generally align with the direction and scale of trends for the other areas.

This analysis also examined age cohort characteristics for the same three areas to better understand if and where potential housing need may exist at the trends level.

| Multi-family Residential Population Age Distribution | | | | | | Table 3.13 |
|---|--------------------------------------|-------|-------------|-------|----------------------|------------|
| Characteristics | Northern Neighborhoods Study Area | | Market Area | | Mohawk Valley Region | |
| | 2019 | 2024 | 2019 | 2024 | 2019 | 2024 |
| Under age 25 | 33.6% | 34.6% | 29.5% | 29.6% | 28.2% | 27.5% |
| % change 2019-2024 | | 1.1% | | -1.8% | | -4.0% |
| Age 25-44 | 29.2% | 28.4% | 25.4% | 25.4% | 24.0% | 24.2% |
| % change 2019-2024 | | -4.5% | | -2.2% | | -0.8% |
| Age 44-64 | 22.6% | 21.8% | 25.0% | 23.3% | 27.6% | 25.8% |
| % change 2019-2024 | | -5.3% | | -8.8% | | -8.0% |
| Over age 65 | 14.6% | 15.2% | 20.1% | 21.7% | 20.2% | 22.6% |
| % change 2019-2024 | | 2.2% | | 5.6% | | 10.1% |

Source: ESRI BAO; C&S Companies

While overall population of the Northern Neighborhoods study area is expected to decline, the population of residents younger than 25 and older than 65 years of age will increase slightly. The population of residents between 25 and 65 years is expected to decrease at a higher rate than in the other areas examined. The growth of older age cohorts at the regional level is indicative of a continued “graying” of the population. This shift in population distribution within the Market Area may suggest a need for additional senior housing units in the market to meet growing demand as residents move from homeownership to rental status and have changing physical needs requiring specific housing design elements and age-responsive amenities.

Employment

A high-level analysis of projected non-farm employment and average earnings by sector for Montgomery County was conducted to understand anticipated changes in employment from 2019 – 2024. Table 3.14 presents the results of this analysis by North American Industrial Classification Sector (NAICS). Positive employment growth values are shaded green, and negative values are shaded red. Average earnings projected for 2024 are also provided by sector.

| Multi-family Residential Development | | Table 3.14 |
|--|--------------------|--------------------------|
| Employment Change and Earnings by Sector – Montgomery County | | |
| NAICS Sector | % Change 2019-2024 | Average Earnings (2024)* |
| Mining | 1.4% | \$52,600 |
| Utilities | 8.3% | \$78,200 |
| Construction | 2.2% | \$40,400 |
| Manufacturing | -3.0% | \$52,600 |
| Wholesale Trade | 0.8% | \$61,500 |
| Retail Trade | 1.4% | \$30,500 |
| Transportation and Warehousing | 12.0% | \$52,000 |
| Information | -0.4% | \$45,900 |
| Finance and Insurance | 3.5% | \$32,300 |
| Real Estate, Rental and Lease | 0.8% | \$10,100 |
| Professional and Technical Services | -0.2% | \$31,800 |
| Management of Companies and Enterprises | -2.0% | \$69,000 |
| Administrative and Waste Services | -0.5% | \$29,900 |
| Educational Services | -2.1% | \$19,700 |
| Health Care and Social Assistance | 9.7% | \$50,100 |
| Arts, Entertainment and Recreation | 0.7% | \$9,300 |
| Accommodation and Food Service | 1.5% | \$16,000 |
| Other Services, except Public Administration | 1.6% | \$34,500 |
| Public Administration | 0.4% | \$75,700 |
| Total for Non-Farm Sectors | 3.3% | \$45,475 |

Source: Woods and Poole Economics (*projected for year 2024, 2012 dollars); C&S Companies

Total Montgomery County employment is projected to increase by 3.3% across sectors for the five-year period with a majority of employment sectors projected to grow at a very modest pace. The largest increase occurs in the transportation and warehousing sector at 12% anticipated growth during the five year period, followed by healthcare and social assistance at 9.7% and utilities at just over 8% for the same period. These same three sectors also experience higher earnings per employee when compared

to the overall average for the County. The most notable declines during the five year period are projected to occur in the sectors of manufacturing, educational services, and management of companies.

Regional Multifamily Development Trends

An analysis of multifamily development projects constructed and opened within the last 5 years and looking forward was also conducted to identify regional market trends. These trends were examined in order to understand conditions at a broader market level and how they may inform development characteristics and expectations for potential development within the Amsterdam Market Area in the future.

The inventory for this trends analysis included existing garden/low-rise (1-3 stories) and mid-rise (4-14 stories) multi-family projects built since 2015, as well as those types currently under construction or proposed. Properties with incomplete key data, such as land area, were excluded from this analysis, as was high-rise product (15 stories and higher). Subject properties were drawn from a defined area along the NY Thruway corridor between Oneida to the west and Schenectady to the east, and north to Saratoga Springs.

This comparative inventory included 30 projects in total with the following characteristics:

- 28 market-rate housing properties:
 - Multi-family style: 22 garden/low-rise, 6 mid-rise
 - Market segment: 23 all-ages, 5 senior
 - Status: 20 existing, 5 under construction, 3 proposed
 - Average number of units: 108 units
 - Average stories: 3
 - Average land area: 10 acres
 - Average land/unit: 0.11 acres
- Two affordable housing properties:
 - Multi-family style: 2 garden/low-rise
 - Market segment: 1 all-ages, 1 senior
 - Status: 1 existing, 1 proposed
 - Average number of units: 49 units
 - Average stories: 2
 - Average land area: 1.7 acres
 - Average land/unit: 0.04 acres

Twenty-eight multi-family projects are included in the inventory, while only two affordable housing properties were developed over the same five-year timeframe. Senior housing represents five of the 28 market-rate properties. At more than 100 units and 10 acres on average, a typical market-rate property is larger than the affordable housing properties which average approximately 50 units and 1.7 acres.

Observations & Takeaways

- While further population decline within the Amsterdam area is expected over the coming period, overall employment growth is also projected for Montgomery County, which taken with the low unemployment rate in the Market Area and Region, may intensify challenges in finding

skilled labor force as well as present opportunity to attract workforce to the area by creating housing options closer to expanding employment centers.

- Newer multi-family housing stock is limited in the Amsterdam market given the last known multifamily development was delivered in 2010 and the average building age is 100 years.
- It appears that many professionals employed within the Amsterdam market area may live in other communities in part due to a perceived limited volume of quality market-rate housing.
- Multiple stakeholders suggested that the limited availability of quality market rate rental housing may present a challenge for housing younger, professional, and non-family households as well as older residents. Stakeholders also noted an interest by residents in mixed-use development with walkable access to amenities often associated with that environment (parks, food & drink, etc.).
- In addition to local dynamics, macro-level economic and cultural factors have increased the need for rental housing, both in urban and rural areas alike, in the last decade. Such factors include the foreclosure crisis that shifted some households from homeowner to renter (permanently in some cases), the delay in household formations and home purchase by younger population segments, as well as the preference for walkability and live-work-play environments by both young professionals and older or retiring higher income families alike.
- Much of the existing housing stock in the Amsterdam market is aging, with many properties in deteriorating condition. Potential demand would appear to be driven primarily by a need for improved housing quality and specialized needs (i.e. senior or affordable) rather than an overall shortage of housing supply – as evidenced by increasing vacancy rates.
- Recent housing proposals include the 60-unit housing project to be located in the East End, and the 120-unit waterfront development south of the Mohawk River (status uncertain at this time). Given the Amsterdam community's limited growth, the status and success of these projects may be observed to gain insights about the market's potential to support additional multi-family residential development. For example, if new properties are fully leased within a short timeframe, additional demand for similar product may be present in the market. Unit size and price points (affordable vs. market-rate) may also be monitored for information about the housing formats and rents potentially supported in this market.
- The current Northern Neighborhoods building stock may offer some opportunities for investment in the rehabilitation of existing structures for mixed-use or residential units.
 - Opportunities for adaptive reuse are likely limited to buildings with unique or exceptional features that would warrant investment.
 - Building scale, structural, environmental, financial, and other challenges may exist for adaptive reuse.
 - Former industrial facilities have supported successful housing projects elsewhere in the region and Upstate NY. However the size and condition of large former manufacturing structures in the Northern Neighborhoods BOA and elsewhere in Amsterdam may constrain their feasibility for housing reuse and would have to be evaluated in detail before a determination could be made about their potential to support housing.
- Trails and natural features in the Northern Neighborhoods area complement residential development.
- Unmet needs appear to exist for modern, quality affordable and senior housing in the Northern Neighborhoods study area and elsewhere in the market.

- The former Reid Hill Plaza property at the Five Corners intersection may be better suited for residential rather than commercial use, given its history and extended vacancy.
- For new projects, general guidelines for possible multi-family housing development in the Northern Neighborhoods BOA study area or elsewhere in the Amsterdam market include:
 - Property size two acres or more
 - 2-4 stories
 - 50-120 units, mix of sizes
 - Affordable component and/or senior housing needs present in the community

Conclusion – Multi-family Residential Development

The market setting for multi-family residential development is somewhat complex. The Amsterdam market's population is gradually declining, but county-level employment is expected to increase in some key industry sectors. A sufficient volume of housing stock is available to support the population, but the age and quality of many properties fall short of ideal conditions. Stakeholder feedback, as well as two recent multi-family development proposals in the market, suggest that demand exists for new, quality apartment housing in the Amsterdam market. Affordable and senior housing needs are likely present in the community, as well as market-rate housing. Given the market size and limited growth, the entry of new (currently proposed) housing developments would provide an opportunity to observe and gain insights about the market's potential to support additional multi-family residential development. Within the Northern Neighborhoods BOA study area, the Market Street, Locust and Forest Ave. corridors and Five Corners vicinity likely present the best setting for multi-family residential development.

4. Case Studies

The following case studies are offered to illustrate successful redevelopment projects that have occurred recently in locations sharing a similar market context to the Northern Neighborhoods BOA and broader Amsterdam market area.

4.1 Townsend Leather, Johnstown, New York

Townsend Leather has been operating in the Fulton County, City of Johnstown for more than 50 years. The company produces leather materials for use in architecture and design, aviation interiors, accessories and more.

In 2019, Townsend Leather expanded its operation into the 66,000 square-foot former Diana Knitting Mill in Johnstown. The company could have opened a new facility elsewhere in the US or Europe, but decided to remain local in an effort to support the community, citing its “built to last” philosophy. The new facility has been named “The Stitch”, and its updated architectural features highlight materials and relics of the building’s past use as a knitting mill – as well as Townsend Leather’s products.

The Townsend Leather project was supported in part by a \$1 million Restore NY grant. The company expects to expand its operation by 50 additional employees for a total of nearly 200 employees in the Johnstown market.



Updated Townsend Leather building – image from businessjetinteriorsinternational.com



4.2 Briggs & Stratton, Sherrill, New York

Briggs & Stratton is a global gasoline-engine power equipment company that has maintained lawnmower manufacturing operations in Sherrill and Munnsville (Oneida County) for a number of years.

As operations at its existing Oneida County facilities expanded to the point where additional space was needed, in September 2019 Briggs & Stratton opened a new facility in the Sherrill Industrial Park located at the former Oneida Ltd. factory site. The new Briggs & Stratton location combines operations from the two pre-existing local facilities under a single roof.

The 570,000 square-foot structure cost approximately \$10 million to build. Approximately 500 Briggs & Stratton jobs will be retained in the Oneida County region, with an additional 50 jobs to be created.

Empire State Development has provided \$1.5 million in capital grant funding and an additional \$1 million in Excelsior Tax Credit monies for job creation. Construction was supported by a \$1.9 million state capital grant to ONX3, the developer of Sherrill Industrial Park, for construction and renovation costs. The Oneida County Industrial Development Agency has provided property tax breaks and other assistance.

The ability to retain existing workforce and Sherrill Industrial Park's shovel-ready status are credited with helping to secure the Briggs & Stratton relocation.



Image from romesentinel.com



Image from romesentinel.com

Attachment A

Marketplace Profile Reports – Retail Trade Areas



Retail MarketPlace Profile

Northern Nhoods 5min Drive Area
Area: 4.76 square miles

Prepared by Esri

Summary Demographics

| | |
|-------------------------------|----------|
| 2019 Population | 14,328 |
| 2019 Households | 5,976 |
| 2019 Median Disposable Income | \$32,842 |
| 2019 Per Capita Income | \$22,907 |

2017 Industry Summary

| | NAICS | Demand (Retail Potential) | Supply (Retail Sales) | Retail Gap | Leakage/Surplus Factor | Number of Businesses |
|-------------------------------------|-----------|------------------------------|--------------------------|--------------|---------------------------|-------------------------|
| Total Retail Trade and Food & Drink | 44-45,722 | \$160,048,824 | \$85,645,895 | \$74,402,929 | 30.3 | 82 |
| Total Retail Trade | 44-45 | \$145,537,777 | \$77,610,499 | \$67,927,278 | 30.4 | 61 |
| Total Food & Drink | 722 | \$14,511,047 | \$8,035,396 | \$6,475,651 | 28.7 | 21 |

2017 Industry Group

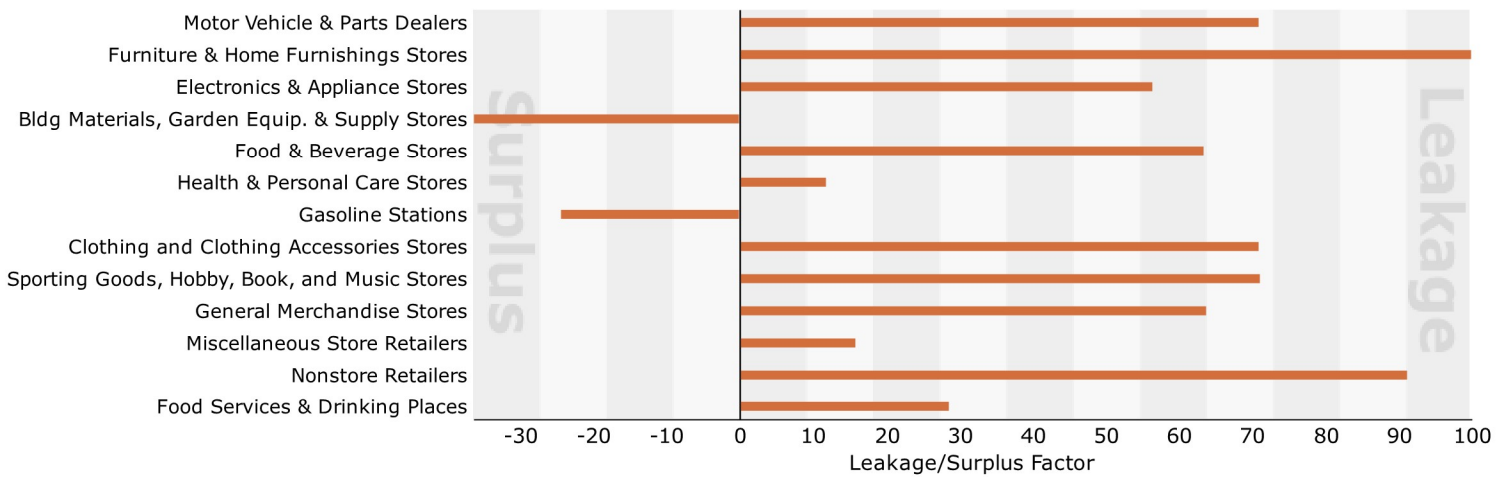
| | NAICS | Demand (Retail Potential) | Supply (Retail Sales) | Retail Gap | Leakage/Surplus Factor | Number of Businesses |
|---|----------|------------------------------|--------------------------|---------------|---------------------------|-------------------------|
| Motor Vehicle & Parts Dealers | 441 | \$31,325,974 | \$5,338,931 | \$25,987,043 | 70.9 | 6 |
| Automobile Dealers | 4411 | \$26,549,669 | \$1,346,545 | \$25,203,124 | 90.3 | 3 |
| Other Motor Vehicle Dealers | 4412 | \$2,426,387 | \$1,000,567 | \$1,425,820 | 41.6 | 2 |
| Auto Parts, Accessories & Tire Stores | 4413 | \$2,349,918 | \$2,991,820 | -\$641,902 | -12.0 | 2 |
| Furniture & Home Furnishings Stores | 442 | \$4,949,973 | \$0 | \$4,949,973 | 100.0 | 0 |
| Furniture Stores | 4421 | \$2,587,278 | \$0 | \$2,587,278 | 100.0 | 0 |
| Home Furnishings Stores | 4422 | \$2,362,696 | \$0 | \$2,362,696 | 100.0 | 0 |
| Electronics & Appliance Stores | 443 | \$5,078,706 | \$1,414,077 | \$3,664,629 | 56.4 | 3 |
| Bldg Materials, Garden Equip. & Supply Stores | 444 | \$8,877,908 | \$19,023,773 | -\$10,145,865 | -36.4 | 6 |
| Bldg Material & Supplies Dealers | 4441 | \$8,061,966 | \$19,023,773 | -\$10,961,807 | -40.5 | 6 |
| Lawn & Garden Equip & Supply Stores | 4442 | \$815,942 | \$0 | \$815,942 | 100.0 | 0 |
| Food & Beverage Stores | 445 | \$25,637,716 | \$5,718,921 | \$19,918,795 | 63.5 | 12 |
| Grocery Stores | 4451 | \$22,073,482 | \$4,164,556 | \$17,908,926 | 68.3 | 7 |
| Specialty Food Stores | 4452 | \$1,713,317 | \$501,391 | \$1,211,926 | 54.7 | 2 |
| Beer, Wine & Liquor Stores | 4453 | \$1,850,917 | \$1,052,973 | \$797,944 | 27.5 | 2 |
| Health & Personal Care Stores | 446,4461 | \$12,694,605 | \$10,022,656 | \$2,671,949 | 11.8 | 3 |
| Gasoline Stations | 447,4471 | \$15,531,205 | \$25,598,544 | -\$10,067,339 | -24.5 | 10 |
| Clothing & Clothing Accessories Stores | 448 | \$10,620,713 | \$1,811,065 | \$8,809,648 | 70.9 | 3 |
| Clothing Stores | 4481 | \$7,662,667 | \$736,032 | \$6,926,635 | 82.5 | 2 |
| Shoe Stores | 4482 | \$1,264,025 | \$0 | \$1,264,025 | 100.0 | 0 |
| Jewelry, Luggage & Leather Goods Stores | 4483 | \$1,694,022 | \$987,629 | \$706,393 | 26.3 | 1 |
| Sporting Goods, Hobby, Book & Music Stores | 451 | \$3,985,512 | \$672,359 | \$3,313,153 | 71.1 | 3 |
| Sporting Goods/Hobby/Musical Instr Stores | 4511 | \$3,337,700 | \$433,534 | \$2,904,166 | 77.0 | 2 |
| Book, Periodical & Music Stores | 4512 | \$647,812 | \$238,825 | \$408,987 | 46.1 | 1 |
| General Merchandise Stores | 452 | \$16,944,577 | \$3,747,567 | \$13,197,010 | 63.8 | 2 |
| Department Stores Excluding Leased Depts. | 4521 | \$10,273,645 | \$0 | \$10,273,645 | 100.0 | 0 |
| Other General Merchandise Stores | 4529 | \$6,670,933 | \$3,747,567 | \$2,923,366 | 28.1 | 2 |
| Miscellaneous Store Retailers | 453 | \$5,590,500 | \$4,066,192 | \$1,524,308 | 15.8 | 12 |
| Florists | 4531 | \$447,935 | \$425,636 | \$22,299 | 2.6 | 4 |
| Office Supplies, Stationery & Gift Stores | 4532 | \$1,596,061 | \$312,633 | \$1,283,428 | 67.2 | 2 |
| Used Merchandise Stores | 4533 | \$649,185 | \$0 | \$649,185 | 100.0 | 0 |
| Other Miscellaneous Store Retailers | 4539 | \$2,897,320 | \$3,327,923 | -\$430,603 | -6.9 | 7 |
| Nonstore Retailers | 454 | \$4,300,387 | \$196,414 | \$4,103,973 | 91.3 | 2 |
| Electronic Shopping & Mail-Order Houses | 4541 | \$3,535,153 | \$0 | \$3,535,153 | 100.0 | 0 |
| Vending Machine Operators | 4542 | \$76,826 | \$164,036 | -\$87,210 | -36.2 | 1 |
| Direct Selling Establishments | 4543 | \$688,409 | \$32,378 | \$656,031 | 91.0 | 1 |
| Food Services & Drinking Places | 722 | \$14,511,047 | \$8,035,396 | \$6,475,651 | 28.7 | 21 |
| Special Food Services | 7223 | \$660,279 | \$0 | \$660,279 | 100.0 | 0 |
| Drinking Places - Alcoholic Beverages | 7224 | \$777,662 | \$379,904 | \$397,758 | 34.4 | 3 |
| Restaurants/Other Eating Places | 7225 | \$13,073,106 | \$7,655,492 | \$5,417,614 | 26.1 | 18 |

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please click the link below to view the Methodology Statement.
<http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>

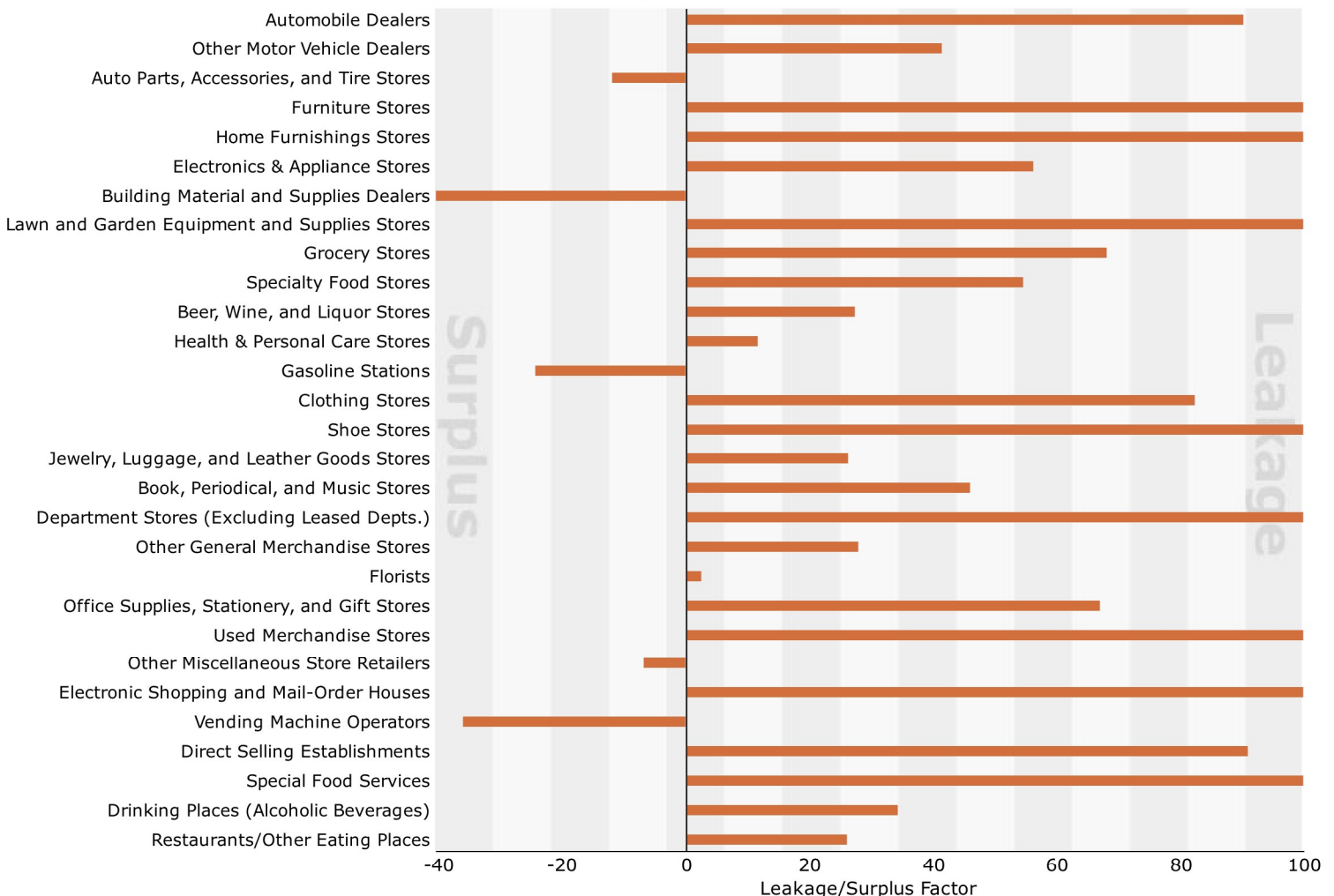
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January 14, 2020

2017 Leakage/Surplus Factor by Industry Subsector



2017 Leakage/Surplus Factor by Industry Group





Retail MarketPlace Profile

Northern Nhoods 10min Drive Area

Area: 34.76 square miles

Prepared by Esri

Summary Demographics

| | |
|-------------------------------|----------|
| 2019 Population | 22,694 |
| 2019 Households | 9,466 |
| 2019 Median Disposable Income | \$36,813 |
| 2019 Per Capita Income | \$25,833 |

2017 Industry Summary

| | NAICS | Demand (Retail Potential) | Supply (Retail Sales) | Retail Gap | Leakage/Surplus Factor | Number of Businesses |
|-------------------------------------|-----------|------------------------------|--------------------------|----------------|---------------------------|-------------------------|
| Total Retail Trade and Food & Drink | 44-45,722 | \$279,859,583 | \$454,220,869 | -\$174,361,286 | -23.8 | 195 |
| Total Retail Trade | 44-45 | \$254,502,922 | \$429,833,143 | -\$175,330,221 | -25.6 | 148 |
| Total Food & Drink | 722 | \$25,356,660 | \$24,387,725 | \$968,935 | 1.9 | 47 |

2017 Industry Group

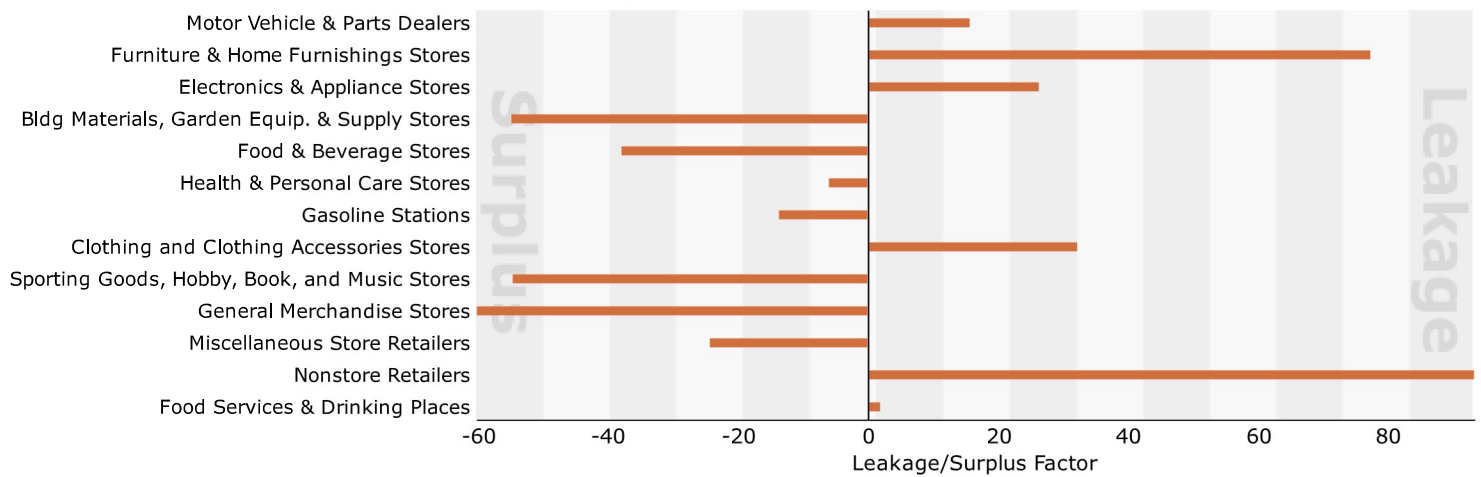
| | NAICS | Demand (Retail Potential) | Supply (Retail Sales) | Retail Gap | Leakage/Surplus Factor | Number of Businesses |
|---|----------|------------------------------|--------------------------|---------------|---------------------------|-------------------------|
| Motor Vehicle & Parts Dealers | 441 | \$54,851,970 | \$39,949,100 | \$14,902,870 | 15.7 | 12 |
| Automobile Dealers | 4411 | \$46,441,619 | \$6,383,393 | \$40,058,226 | 75.8 | 5 |
| Other Motor Vehicle Dealers | 4412 | \$4,285,530 | \$24,091,371 | -\$19,805,841 | -69.8 | 3 |
| Auto Parts, Accessories & Tire Stores | 4413 | \$4,124,821 | \$9,474,336 | -\$5,349,515 | -39.3 | 4 |
| Furniture & Home Furnishings Stores | 442 | \$8,654,254 | \$1,104,158 | \$7,550,096 | 77.4 | 2 |
| Furniture Stores | 4421 | \$4,478,576 | \$528,443 | \$3,950,133 | 78.9 | 1 |
| Home Furnishings Stores | 4422 | \$4,175,679 | \$575,715 | \$3,599,964 | 75.8 | 1 |
| Electronics & Appliance Stores | 443 | \$8,894,223 | \$5,173,432 | \$3,720,791 | 26.4 | 8 |
| Bldg Materials, Garden Equip. & Supply Stores | 444 | \$15,968,990 | \$54,775,425 | -\$38,806,435 | -54.9 | 15 |
| Bldg Material & Supplies Dealers | 4441 | \$14,503,985 | \$53,040,733 | -\$38,536,748 | -57.1 | 13 |
| Lawn & Garden Equip & Supply Stores | 4442 | \$1,465,005 | \$1,734,693 | -\$269,688 | -8.4 | 1 |
| Food & Beverage Stores | 445 | \$44,521,836 | \$99,203,212 | -\$54,681,376 | -38.0 | 23 |
| Grocery Stores | 4451 | \$38,289,321 | \$94,490,782 | -\$56,201,461 | -42.3 | 13 |
| Specialty Food Stores | 4452 | \$2,966,597 | \$1,706,005 | \$1,260,592 | 27.0 | 5 |
| Beer, Wine & Liquor Stores | 4453 | \$3,265,918 | \$3,006,426 | \$259,492 | 4.1 | 6 |
| Health & Personal Care Stores | 446,4461 | \$22,314,863 | \$25,250,711 | -\$2,935,848 | -6.2 | 11 |
| Gasoline Stations | 447,4471 | \$26,962,817 | \$35,649,879 | -\$8,687,062 | -13.9 | 15 |
| Clothing & Clothing Accessories Stores | 448 | \$18,555,920 | \$9,511,161 | \$9,044,759 | 32.2 | 11 |
| Clothing Stores | 4481 | \$13,345,739 | \$5,255,066 | \$8,090,673 | 43.5 | 6 |
| Shoe Stores | 4482 | \$2,193,623 | \$1,504,195 | \$689,428 | 18.6 | 3 |
| Jewelry, Luggage & Leather Goods Stores | 4483 | \$3,016,557 | \$2,751,900 | \$264,657 | 4.6 | 3 |
| Sporting Goods, Hobby, Book & Music Stores | 451 | \$6,932,153 | \$23,668,515 | -\$16,736,362 | -54.7 | 10 |
| Sporting Goods/Hobby/Musical Instr Stores | 4511 | \$5,812,125 | \$23,241,524 | -\$17,429,399 | -60.0 | 9 |
| Book, Periodical & Music Stores | 4512 | \$1,120,027 | \$426,990 | \$693,037 | 44.8 | 2 |
| General Merchandise Stores | 452 | \$29,466,382 | \$119,129,081 | -\$89,662,699 | -60.3 | 9 |
| Department Stores Excluding Leased Depts. | 4521 | \$17,867,151 | \$108,781,436 | -\$90,914,285 | -71.8 | 4 |
| Other General Merchandise Stores | 4529 | \$11,599,231 | \$10,347,645 | \$1,251,586 | 5.7 | 5 |
| Miscellaneous Store Retailers | 453 | \$9,797,592 | \$16,156,599 | -\$6,359,007 | -24.5 | 29 |
| Florists | 4531 | \$810,592 | \$2,053,338 | -\$1,242,746 | -43.4 | 8 |
| Office Supplies, Stationery & Gift Stores | 4532 | \$2,800,470 | \$4,088,191 | -\$1,287,721 | -18.7 | 9 |
| Used Merchandise Stores | 4533 | \$1,116,952 | \$1,357,853 | -\$240,901 | -9.7 | 2 |
| Other Miscellaneous Store Retailers | 4539 | \$5,069,579 | \$8,657,218 | -\$3,587,639 | -26.1 | 11 |
| Nonstore Retailers | 454 | \$7,581,923 | \$261,868 | \$7,320,055 | 93.3 | 2 |
| Electronic Shopping & Mail-Order Houses | 4541 | \$6,194,576 | \$0 | \$6,194,576 | 100.0 | 0 |
| Vending Machine Operators | 4542 | \$133,153 | \$228,478 | -\$95,325 | -26.4 | 1 |
| Direct Selling Establishments | 4543 | \$1,254,195 | \$33,390 | \$1,220,805 | 94.8 | 1 |
| Food Services & Drinking Places | 722 | \$25,356,660 | \$24,387,725 | \$968,935 | 1.9 | 47 |
| Special Food Services | 7223 | \$1,150,701 | \$0 | \$1,150,701 | 100.0 | 0 |
| Drinking Places - Alcoholic Beverages | 7224 | \$1,379,706 | \$562,919 | \$816,787 | 42.0 | 4 |
| Restaurants/Other Eating Places | 7225 | \$22,826,253 | \$23,824,806 | -\$998,553 | -2.1 | 43 |

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please click the link below to view the Methodology Statement. <http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>

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January 14, 2020

2017 Leakage/Surplus Factor by Industry Subsector



2017 Leakage/Surplus Factor by Industry Group

